

NATION'S BUSINESS

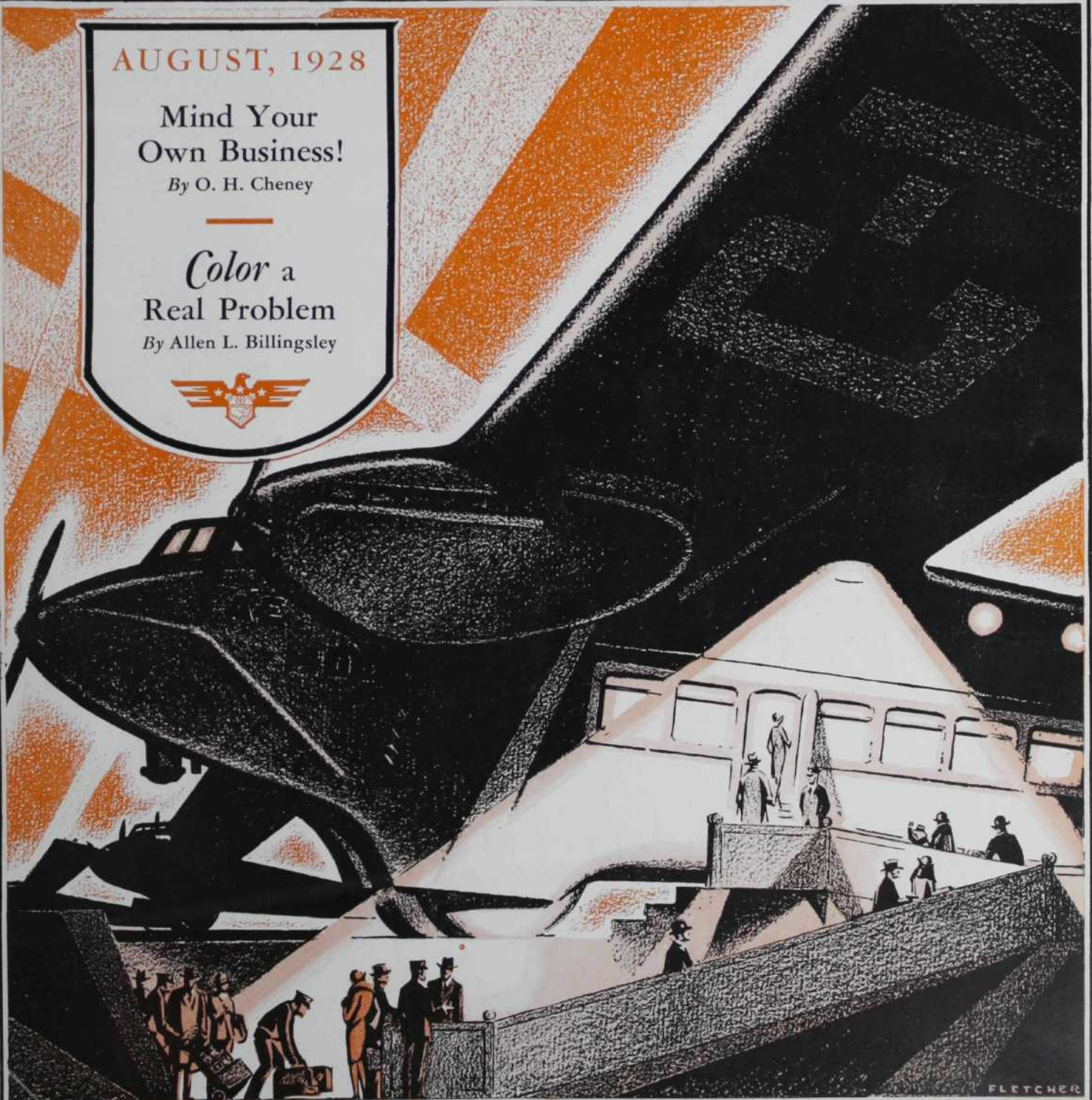
AUGUST, 1928

Mind Your
Own Business!

By O. H. Cheney

Color a
Real Problem

By Allen L. Billingsley



MORE THAN A QUARTER MILLION CIRCULATION

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GOING UP

OR COMING DOWN



THAT wavering line on the cost chart that should travel Southeast, but so often takes a Northward course, is frequently made up of a multitude of items among which loom POWER—LABOR—OIL!

You can cut costs in all three if you will switch from ordinary plain bearing hanger equipment that puts a FRICTION handicap upon every operation in your plant to **SKF** Self-Aligning Ball Bearing Hanger Equipment which does not.

In hundreds of installations in all types of plants **SKF** Self-Aligning Ball Bearing Hangers have saved enough in labor, power and lubricant costs to pay for themselves in less than two years' time.

Write for an actual certified survey covering an **SKF** Hanger Installation either in your industry or in one closely related to it.



SKF

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“If all our departments were organized on a visible record basis, you *couldn’t* forget to act

when conditions demand it—and we need action.”

* * * * *

Acme Records not only give instant information—they get *action* on important matters, for no one can disregard those warning signals.

There’s an Acme Visible Record System for every department of any business, large or small. The new Acme book, “Profitable Business Control” tells how Acme Visible Records turn expense records into Profit Builders. Write for your copy today. There’s no obligation on your part.



Acme is the world's largest company specializing exclusively in visible record equipment. Offices in principal cities.

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☐ Please write me concerning your system for handling _____ records.

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FIRM NAME _____

CITY _____

STATE _____

How one mill saved \$25,000 and raised production in 3 years

Why executives ask us to come again

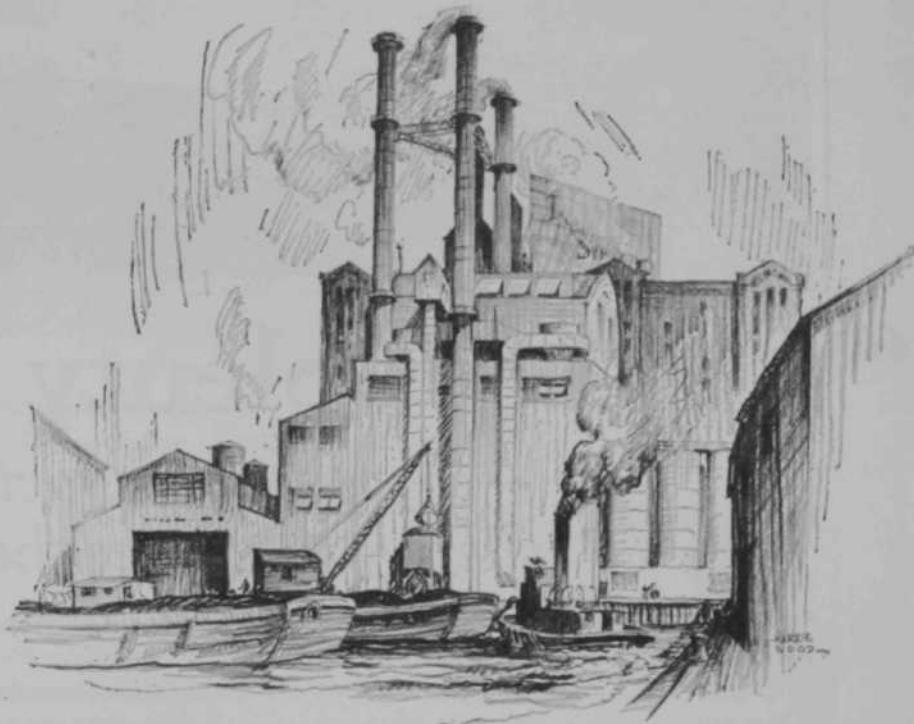
Many executives say, when we first call upon them, "Why should I bother about oil?" But when they begin to see the wide difference between oil and scientific lubrication—and how much that difference means in plant efficiency—they usually ask us to come again.

Sometimes correct lubrication means a very considerable cash saving almost at once. Here is an example of this from among thousands in our files:

In 1922 the lubrication costs of a large sugar manufacturer were \$12,810. During the following year he adopted Gargoyle Lubricants and applied them in accordance with Vacuum Oil Company recommendations. In 1923, 1924, and 1925 his annual lubrication costs were reduced to \$4,468, \$3,688 and \$4,360 respectively.

But more important than the oil saving in this mill was the fact that better operating results brought an actual increase in production of 24.4% during these three years. Reduced friction meant smoother and more efficient operation.

Every saving or improvement which we have helped to make in



Correct lubrication can bring about definite economies and increased efficiency, no matter what kind of product you manufacture.

the thousands of plants where we have acted as lubrication advisors has started with a *conversation* between a Vacuum representative and an executive of the plant.

Will you talk with us?

In a short talk one of our men can explain to you many of the

varied possibilities that scientific lubrication might accomplish in your plant. His advice on lubrication matters, backed by the 62 years' specialized experience of the Vacuum Oil Company, will be found authoritative and helpful.

A talk with him can be arranged to suit your convenience.



Lubricating Oils

The world's quality oils for plant lubrication

Vacuum Oil Company

HEADQUARTERS: 61 BROADWAY, NEW YORK

BRANCHES AND DISTRIBUTING WAREHOUSES THROUGHOUT THE COUNTRY

This Month and Next

SEASONAL production is the bane of many an industry. Ice cream is eaten in summer and furs are worn in winter. But are they? Men eat ice cream in winter and women wear furs in summer.

There used to be a feeling that there was something seasonal about reading. Light summer dresses and light summer reading! A result was the "midsummer fiction number" now less common than it once was.

This number of NATION'S BUSINESS may be lighter than some—it is difficult to weigh them—but lighter or heavier there's always romance in business.



O. H. Cheney

Here's a man, a school teacher at 30, who now controls nine periodicals which go to ten million readers a month, who goes to his office only at night, who buys in a year \$50,000 worth of manuscripts that he finally decides are not worth printing. Where does he live? In America, the land of opportunity? No, in Japan. Read Akimoto's quaint and appealing account of him.



A. L. Billingsley

"Mind Your Own Business" seems abrupt advice from a banker, but O. H. Cheney goes on to explain that business needs this advice. Business has become so obsessed by mergers and consolidations and volume and bigness in general that it is neglecting the little things that mean savings and profits. And not a dull line in the article, summer or no summer.

Herbert Corey sharing that widespread feeling that hotel rates are high looks back of the clerk, and his "eight dollars a day" to find the "why" and finds it. Entertainment and information. What bit of short fiction gives you more?



G. B. Moxley

Ever think of color in terms of arithmetic? A manufacturer makes shoes in 12 sizes of 4 weights of leather. There are 48 varieties to start. Then he makes them in colors and how many kinds must a dealer handle. That's one angle of "Color—a Real Business Problem," Allen Billingsley's article. Nothing picturesque in business?

Your cigar, your toothpaste, or your wife's face powder may get to the corner

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MORE THAN A QUARTER MILLION CIRCULATION

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As the official magazine of the National Chamber this publication carries authoritative notices and articles in regard to the activities of the Chamber; in all other respects the Chamber cannot be responsible for the contents thereof or for the opinions of writers to which expression is given.



A Narrow Escape

A Spanish exporter sold a shipment of anchovies through his New York agent to an importer in this city. The sale was made on a 90-day sight draft basis. Through the shipper's bank in Spain the draft and the shipping documents were forwarded to the American Exchange Irving Trust Company with instructions to deliver the documents to the purchaser against his acceptance of the draft.

The American Exchange Irving was in possession of information which led it to question the purchaser's financial responsibility. The shipper was promptly advised of these facts, whereupon he cancelled delivery to the purchaser and had the merchandise turned over to his New York agent.

The action of this bank saved the shipper a considerable amount of money as the original consignee went into bankruptcy a few days later.

The American Exchange Irving and correspondents in every center of importance throughout the world safeguard the financial transactions of its customers.

AMERICAN EXCHANGE IRVING TRUST COMPANY

Out-of-Town Office—Woolworth Building

New York

drug store through more than one route, according to G. Barret Moxley, president of the Kiefer-Stewart Drug Company, wholesalers of Indianapolis. Mr. Moxley calls attention to a type of distribution which has been followed with success by several outstanding firms.

There's romance in Edwin C. Hill's story of "Two Playboys Turn Business Men," but there's more than romance, there's a philosophy of business, a why of business that shows how an intelligent inquiry into market turned a decrepit publishing business into a paying one.



Fred C. Kelly

Fred C. Kelly, who surveys the world cheerfully from a post near the end of this magazine, moves forward to tell his experience as a merchant. As a manufacturer he admits that he is good. He manufactured plenty of hay, but when he came to sell it, that was another proposition.



Andrew Mellon

Read it—and you won't weep.

"Tailor-made Towns," a fetching title to an unusual article, a description by Raymond Willoughby of a tendency on the part of industry to make communities to order, communities that solve problems of housing, of recreation and of education.



Charles Dunn

A word for artists and let us lead off with Charles Dunn, of our own staff, whose ability ranges all the way from painting portraits of Washington celebrities for display in the Corcoran Art Galleries to cartooning Babbitt baiters. His new series of "Unrecorded Moments in Business," is a worthy successor to "Babbitt Through the Ages."

Here are some of our other artists: Tony Sarg, J. D. Irwin, Thomas Benrimo, L. W. Cook, R. L. Lambdin, and W. J. Enright.

Part of the nation's business is politics, not partisan politics, but the politics that is concerned with the relations of business and government. There are few things that this country needs more than the intelligent active interest of its business men in its government. To arouse and to guard that interest we shall present in the September issue the view on business of Governor Smith and Secretary Hoover.



James J. Davis

In a month following we shall have two economic topics of interest discussed by two members of the President's cabinet, James J. Davis and Andrew W. Mellon.



R-W Equipment *saves time and money!*

WOOD Hydraulic Hoist & Body Co., Chicago Branch, gives its experience through O. W. Miller, Manager, Chicago:

"We are the world's largest exclusive makers and installers of hydraulic mechanical hoists and steel dump bodies for motor trucks. Our big Chicago service station, built in November, 1926, was constructed to insure rapidity and economy in installing Wood hoists and bodies.

"All the handling is done by a Richards-Wilcox OveR-Way System, consisting of about 1000 ft. of I-beam track and 14 R-W switches, which gives us a main track and 14 stubs. Bodies weighing up to 2 tons are easily handled with chain hoists suspended from R-W Ball-bearing Trolleys. Fourteen trucks can be accommodated at one time.

"In our old Chicago branch station it was necessary to lift on the hoists by hand, and we could

work on only one truck at a time, unless working out of doors. The OveR-Way System saves two man-hours on every installation, which shortens the time our customers' trucks are tied up, and saves enough on our installation cost to pay for the OveR-Way System in a short time.

"Richards-Wilcox Door Hardware is used on the 9 large folding doors of our service station. Although opened and closed many times a day, these doors are easily operated by one man, and always open to full width and close tightly. This helps keep the station comfortable, shuts out dust and dirt, and prevents delays due to refractory doors.

"The successful performance of the OveR-Way System and R-W Door Hardware in our Chicago station will probably lead to their being installed in our service stations in other cities."

*R-W Engineers will gladly assist with your doorway and conveying problems
Write to the nearest branch*

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Worcester

PAY ROLL WEEK ENDING

EMPLOYEES	NO.	MON.		TUES.		JOB TIME	TOTAL ATTEND. AND TIME	RATE	PATROLL		DEDUCTIONS		NET AMOUNT DUE	REMARKS	
		EXTENSION	ALLOWANCE	TOTAL	INSURANCE				SAVINGS FUND						
C. G. O'DONNELL	1	61282158	61282158	61282158	61282158	123	54	60	32	40					
A. B. BROWN	2	61282158	61282158	61282158	61282158	124	54	54	29	16	1	25	30	41	
L. E. CLINTON	3	61282158	61282158	61282158	61282158	146	45	56	25	20			25	26	
E. M. MASON	48	61282158	61282158	61282158	61282158	144	45	41	18	45			18	45	
B. C. DECKER	49	61282158	61282158	61282158	61282158	55	56	42	23	73			23	73	
G. C. HARRIS	50	61282158	61282158	61282158	61282158	56	56	48	26	88			26	88	
CHECKED BY		EXTENSIONS		AUDIT		TOTAL		125		04		1255		1267	
EMPLOYER AND NOTES		18 34		9 28								14 25		71 25	
														1182 09	

Worcester

PAY ROLL WEEK ENDING

EMPLOYEES	NO.	MON.		TUES.		JOB TIME	TOTAL ATTEND. AND TIME	RATE	PATROLL		DEDUCTIONS		NET AMOUNT DUE	REMARKS	
		EXTENSION	ALLOWANCE	TOTAL	INSURANCE				SAVINGS FUND						
J. W. KINGMAN	51	61282158	61282158	61282158	61282158	143	0								
T. W. VANHOLT	52	61282158	61282158	61282158	61282158	148	0								
R. F. NORRIS	53	61282158	61282158	61282158	61282158	70	1	10	21	86	35	1	50	24	
W. B. FRENCH	54	61282158	61282158	61282158	61282158	148	0								
J. R. JONES	55	61282158	61282158	61282158	61282158	148	0								
CHECKED BY		EXTENSIONS		AUDIT		TOTAL		128		97		10		30	
EMPLOYER AND NOTES		1300		27								13		45	
														68 10	
														128 72	

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or in total. By making this information available promptly upon the close of each pay period it facilitates close control of the costly item of unproductive time.

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This Drudgery of Business

A MAN of wit is not incapable of business, but above it," sang Alexander Pope, adding that an adventurous spirit was too good to be put to "this drudgery."

Two centuries have passed and the Popes of today make the same indictment. They, too, are misled by the sensitive concern of business men to appear matter-of-fact. We take pains to conceal sentiment behind a mask of materialism. We are shame-faced about the joy of our tremendous job of making the world more comfortable.

Romance in business? Huh! we reply, business is business. Adventure in factory layouts? Poetry in a production schedule? Fascination in a sales quota? Mystery in a balance sheet? Chivalry in buying and selling? Heroics in *per cents*? Ridiculous!

Yet, underneath the hard-boiled exterior, the successful business man recognizes and enjoys the stirring adventure of which he is a part. For in every stride toward a higher civilization are the romantic figures of resourceful men, who, like great poets, have kept their hands on the present and their eyes on the future.

Roaring cataracts put to the making of light and power. Mountains pierced to give speeding trains right of way. Plant food plucked from the air. The sky made highways of commerce. Nations joined by an eager spark leaping across the ocean. Domestic drudgery assumed by laundry, bakery and fac-

tory. Ice by wire, "lumber" from sugar cane, silk from wood. An automaton, handing out merchandise with a "thank you!" at the drop of a coin.

Of such is the true essence of romance.

The quality of poetry is in all fine projects, big or little. "Why, that man Harriman," exclaimed a discerning European, "supposed to be so hard-boiled, that man is a great poet! Only, he rhymes in rails!"

Whether the rhyming be with rails, with ships, with sealing wax, with groceries, with dry goods, or what not, the feeling of great poetry is in all honest work, is in all business that has sincerity and depth of purpose.

The spirit of romance still finds expression in the work-a-day world, and no poetic soul is above the "drudgery of business."

Business has its adventurers no less renowned than the trail blazers and pathfinders of frontier days.

Arcady today is in forge and farm and mine and bench and counter.

This drudgery of business! Drudgery of body or mind? Wrong, on both counts. Business is making the very word drudgery archaic.

The case might rest on the abolition of drudgery. That in itself is an adventure too noble to be compressed within Pope's narrow measure. Its meter is sealed to the magnitude of nature, to the wistful wants of a whole world.

Merce Thompson



View in one unit of the new plant of Fairchild Aviation Corp., Farmingdale, L. I., designed and built by Austin.

USE THE AIR SERVICE

Speed in Construction Saves Months for Production

WHEN the directors approve the proposal for the new plant, it is usually because the space is needed at once. Production is suffering for lack of it—you would like to rub an Aladdin's Lamp and produce the buildings overnight.

Austin has developed an amazingly efficient engineering and construction service which accomplishes in 30 to 60 working days what requires several months under ordinary methods.

From bare site to complete finished plant ready for occupancy, in 30, 60 or 90 working days, depending on the size, is Austin's positive guarantee which saves you months of waiting. Under the Austin Method of Undivided Responsibility, design, construction and equipment are all handled by this one capable organization.

The contract guarantees in advance:

1. Low total cost for the complete project.
2. Completion date within a specified short time, with bonus and penalty clause if preferred.
3. High quality of materials and workmanship.

Whatever type or size of building project you are considering, whether 5,000 or 5,000,000 square feet, multistory or single story, it will pay you to get in touch with Austin. The wide experience and unusual engineering facilities of this organization frequently result in great savings during the preliminary stage of planning.

Wire, phone the nearest Austin office, or mail the memo below.

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We are interested in a

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"The Austin Book of Buildings." Individual.....

Firm.....City.....

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NATION'S BUSINESS



Published at Washington by the Chamber of Commerce of the United States

MERLE THORPE, Editor

As the Business World Wags

THUS WE MAY SEE, QUOTH HE,
HOW THE WORLD WAGS—*As You Like It.*

Exorcising a Ghost



FOR a generation we have had dinned in our ears the cry that presidential years were bad for business. There seemed to be an assumption that men and women stopped eating and wearing clothes and building houses to talk politics and watch for something dire and dreadful to happen after Election Day.

All of which is nonsense. Presidential years have been good and bad like all other years. The National Industrial Conference Board has taken the available indices for the presidential years from 1880 to 1924, inclusive, and finds this:

That business was above normal throughout four of these years; prevailing above normal in two; below normal throughout four years and prevailing below normal in the other two. In short there were four lean years and four of plenty in the dozen, while four were mixed, with two tending to be good and two tending to be bad.

And if you would apply politics to the figures, it is easy to find a year when a good Democrat was elected president and business went to pot.

But wait a minute! Here's another year when a good Republican was elected and business also went to pot.

If ever there was cause for fear of presidential years that cause has been dissipated.

A Hopeful Sign



THOUGH this is a presidential year the estimates of freight car needs for July, August and September of this year show no falling off. These estimates are furnished by the Shippers' Advisory Boards of thirteen districts covering the United States to the Car Service Division of the American Railway Association. Carloadings for the third quarter of 1927 were 9,313,737; estimated carloadings for the third quarter of this year are 9,910,768, an increase of 6.4 per cent.

The notable increases are in flour and other mill products, coal and coke, petroleum, and automobiles, trucks and parts.

The outstanding decreases are in cotton and in cottonseed and products other than oil. The drop in expected shipment of cotton and cotton products may be explained

by the large hold over from 1926 to 1927 still in motion last year and by the indicated lateness of the 1928 crop.

The Task of The Railroads



TO ONE who is not appalled by figures there is no more impressive picture of the vastness of our commercial structure than that presented by the year's figures of carloadings by commodities.

In 1927 the Class 1 railroads of this country moved 35,000,000 cars. What fills these freight cars? First and foremost coal, other products of the mines and crude oil. They fill 14,000,000 cars a year with soft coal asking more than half. Manufactures come next, then agriculture, then forest, and finally animal products. Here's a table that gives

Mining including Petroleum	14,000,000
Manufactures	11,000,000
Agriculture	4,500,000
Forest products	3,500,000
Animal products	2,000,000
	<hr/>
	35,000,000

A giant's task, the railroads have, a task complicated by the time of ripening crops, the call for more coal when the mercury drops and the days grow short and by a hundred and one other things.

But the record of accomplishment by the railroads is a remarkable one. How long since any one has heard the cry of "car shortage"? And how many of us realize that the average car carries six-tenths of a ton more than it did in 1923?

A Fine Selection



THE International Chamber of Commerce in particular and American Business in general are to be congratulated on the choice of Thomas W. Lamont as chairman of the American Section. The International Chamber was founded in 1921 and the post of American chairman has been held by the late A. C. Bedford, Julius H. Barnes, Owen D. Young and now by Mr. Lamont—a distinguished succession.

The acceptance by Mr. Lamont of this post is not only gratifying from the high ability he brings to the task, but it is one more indication of the fact that men of the highest standing in the business world are ready and willing

to give of their time to the cooperative effort of business to settle its own problems.

Mr. Lamont on taking office made an impressive plea to business to help in the cause of world peace. Said he:

I refuse to believe that men of affairs on either side of the water are so deeply engaged in operations for their own account as to lack conception of the importance which their own relationships and policies bear upon the question of world peace. On the contrary, through the active and understanding part which they have played in post-war reconstruction, they have clearly shown their conviction that, if in coming generations this earth is to be made a more stable place to live in, the coming of such an era will depend almost entirely upon the conscious cooperation of men throughout the world.

What's What In Platforms



which most directly bear upon business.

We hoped and felt that from that study we should learn much that would be of value to ourselves and some of which might be turned over to our readers.

We had not gone far in our comparison when we came upon these planks dealing with that highly important American industry, mining, and in particular coal mining. Read them together. We defy you to tell which plank represents which party.

The money value of the mineral products of the country is second only to agriculture. We lead the countries of the world in the production of coal, iron, copper, and silver. The Nation suffers as a whole from any disturbance in the securing of any one of these minerals, and particularly when the coal supply is affected. The mining industry has always been self-sustaining but we believe that the Government should make every effort to aid the industry by protection, by removing any restrictions which may be hampering its development, and by increased technical and economic research investigations which are necessary for its welfare and normal development. The party is anxious, hopeful, and willing to assist in any feasible plan for the stabilization of the coal-mining industry which will work justice to the miners, consumers, and producers.

Mining is one of the basic industries of this country. We produce more coal, iron and copper than any other country. The value of our mineral production is second only to agriculture. Mining has suffered like agriculture and from similar causes. It is the duty of our Government to foster this industry and to remove the restrictions that destroy its prosperity . . .

Bituminous coal is not only the common base of manufacture, but is a vital agency in our interstate transportation. The demoralization of this industry, its labor conflicts and distress, its waste of a national resource and disordered public service demand constructive legislation that will allow capital and labor a fair share of prosperity with adequate protection to the consuming public.

We read them again and we came to this conclusion: That the next time two coal men meet and begin to talk politics, one of them is going to say to the other: "Well, who are you voting for, Hoover or Smith?"

Again a Merger



THE urge for consolidation in the automobile industry did not stop with the wedding of Chrysler and Dodge.

Promptly Studebaker swallowed or started to swallow Pierce-Arrow.

"It is a grave question in the minds of the directors," said President Forbes of the latter company, "whether the isolated automobile unit can compete successfully in the long run with companies like General Motors, Studebaker, Chrysler and others whose volume of production,

diversification and dealer organization give them a stability, buying power and financial resources far beyond those which can be commanded by a company having only limited production."

Mr. Forbes' outlook for the small manufacturer, at least the small manufacturer of automobiles, is pessimistic.

But are all the automobiles in the United States to be made by the three he names or by another three or any three? And if only nine or six or three manufacturers are to be left, why not carry the matter to its logical end and have only one manufacturer?

It may be that the small maker of automobiles is doomed, but we doubt it. Not all the world is satisfied with the products of mass production. Give one thousand men a thousand things all alike and all made at a price so low that the thousand can buy them and what happens? Very soon one man or ten men out of the thousand want something better, something different from the other 999 or the 990. And who is to supply him or them? The small manufacturer or at least the manufacturer who is small by comparison.

"Different" is one of the appealing words of advertising. Every man jack of us at one time or another longs to be different. Let mass production accustom him to things he could not acquire unless they were produced in mass and he desires something to lift himself out of the mass.

There is a market of discontent, a market of distinction and so long as it exists the case of the small manufacturer and the small retailer is not hopeless.

An Interna- tional Abroad



NO NATION, no individual in these days can live a life of entire isolation. All around us are things drawn from the farthest corners of the world. Here is a picture M. Francis Delaisi draws in his recent book, *Political Myths and Economic Realities*, of the every day life of a Parisian.

How does the ordinary respectable citizen of Paris spend his day?

On awakening, M. Durand washes himself with soap manufactured out of Congo peanut and dries himself with a cotton towel of Louisiana. He then proceeds to dress himself. His shirt and collar are made of Russian linen, his coat and trousers of wool from the Cape or Australia. He puts on a silk tie made of Japanese cocoons and shoes whose leather is derived from the hide of an Argentine ox and tanned with a chemical product from Germany.

In his dining room—adorned with a Dutch sideboard, made of wood from Hungarian forests—he will find the table laid with plated metal made of Rio-Tinto copper, tin from the Straits and silver from Australia. He will find a fresh loaf, made of wheat which, according to the season of the year, may come from Beauce, from Rumania or from Canada. He will eat eggs newly arrived from Morocco, a slice of frozen "Presale" from the Argentine and preserved small peas which have seen the California sun; his sweet will be English jam made of French fruit and Cuban sugar, and his excellent coffee will come from Brazil.

Restored to vigor, he now goes to his work. An electric tram, run on the Thomson-Houston system, takes him to his office. After making a note of the quotations of the Liverpool, London, Amsterdam or Yokohama exchanges, he dictates his correspondence, which is taken down on an English typewriter, and he signs it with an American fountain pen. In his workshop, "Paris articles" for a Brazilian clientele are being manufactured out of material of many origins, by machinery built in Lorraine, according to German patents and fed with English coal. His instructions are to send them to Rio by the first German steamer that puts in at Cherbourg.

He then proceeds to his bank to pay in a cheque in guilders

from a Dutch client and to buy sterling to pay for English goods. The bank manager will take the opportunity to point out that his account shows a considerable balance and that oil shares are rising. M. Durand agrees to the suggestion, but unwilling to place all his eggs in one basket, he gives orders to buy at the same time four Royal Dutch shares and ten of a French Company affiliated to the Standard Oil.

Satisfied with a profitable day, he proposes to spend the evening at a show with his wife. She will don her best frock from Paquin, Ltd., her pretty fur of Blue Fox (Siberia), her diamonds from the Cape. Then they will dine in an "Italian Restaurant" and debate whether to go to the Russian Ballet or to a music hall to hear Raquel Meller, or perhaps decide for one of the d'Annunzio's plays acted by Ida Rubenstein with designs from Bakst.

After having supped at the "Caucasian Cave," to the accompaniment of a Negro jazz band, they return home. After a day so well spent, M. Durand falls asleep under his quilt (made of feathers of Norwegian duck) and dreams that France is decidedly a great country, entirely self-supporting and able to snap her fingers at the whole world. . . .

A Tax Turned Back **W**HO pays the tax? A moot question but most of the answers are that

it's the consumer who pays. One tax the consumer paid and knew he paid was the tax on the purchase of an automobile. Automobiles were sold at a price based on the point of manufacture and freight and tax stood out.

When the automotive industry went to Washington and urged the repeal of the tax it went largely on behalf of its customers promising that all the benefits should be turned back to the automobile buyer.

Perhaps that's one factor that helped to bring about the repeal of the tax. A tax in plain sight, is one the public knows about and feels. It is the invisible tax that puzzles. Explain to the non-real-estate owner that his taxes are in his rent and while his common sense tells him you're right, he isn't nearly as much concerned over a change in tax rate as the man who owns a house.

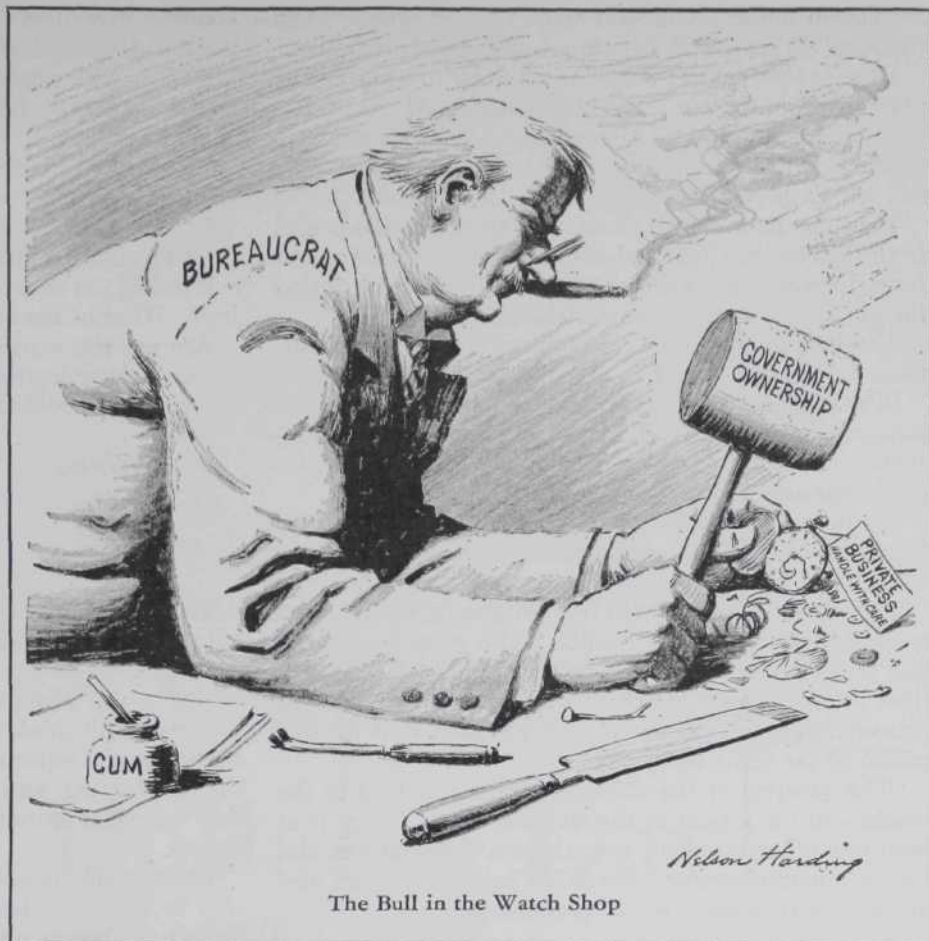
The tax on automobiles was out in the open. It was a burden on the buyer who knew it was there. The automotive industry which fought to have the tax repealed, wisely and promptly turned the benefit back to the buyer.

There's a virtue in openness, in a "cards on the table" policy, that pays in making, selling and in taxation too.

The Muddle of Government **N**O GOVERNMENT can be run by just the same methods as private business. Government must move by rule and regulation; it can not cut corners.

System is a part of government. When system annoys us we call it red tape and complain, but we know or ought to know that the same red tape enmeshes the other fellow in dealing with government.

But there's no reason why government should not be as businesslike as it can, why there should not be con-



The Bull in the Watch Shop

stant effort to simplify government, to bring together as closely as possible those bureaus and divisions which are doing similar work, to avoid overlapping.

Some years ago Secretary Hoover used this illustration to show how governmental agencies may apparently overlap:

The question of governmental aids to navigation is not by any means one of the principal functions of our Government, but it must be a sore trial to the hardy mariner. He must obtain his domestic charts from the Department of Commerce, his foreign charts from the Navy Department, and his nautical almanac from the Naval Observatory—and he will in some circumstances get sailing directions from the Army.

In a fog he may get radio signals from both the Navy and Commerce, and listen to fog horns and look for lights and buoys provided him by Commerce; if he sinks, his life is saved by the Treasury. He will anchor at the direction of the Army, who rely upon the Treasury to enforce their will. His boilers and lifeboats are inspected by the Department of Commerce; his crew is certificated by one bureau in Commerce, signed off in the presence of another, and inspected at sailing by the Treasury, and on arrival by the Department of Labor.

Some of the conditions thus described may have been remedied, others are being remedied, perhaps. Some are inevitable but there is opportunity for betterment.

Reorganization of government is not the work of a minute or of a year. It's a continuing job but a worthwhile one.

The Revolution On The Farm **C**OUNTLESS books on economics discuss the "economic revolution" in Great Britain when machinery took the place of hand work in many lines and industrial cities

grew by leaps and bounds.

But how many of us are conscious of a great industrial

revolution going on around us? Our so-called "farm problem" is the result of a great industrial revolution.

Here is the picture: America's agriculture has cut its productive plant by more than 13,000,000 acres, has reduced population by 11 per cent, yet its aggregate crop production has gone up 5 per cent and the productivity of each farm worker has increased 15 per cent.

Take one more figure about our farms. In the period from 1920 to 1925 the number of horses and mules on our farms increased more than 3,000,000. In the same period the number of tractors increased 260,000.

And how many men were replaced by these substitutions for manual labor?

It would not be hard to produce comparable figures for various lines of manufacture. Overproduction, unemployment, ruinous competition, these are all symptoms of the changes that are taking place.

No industry, whether it be raising corn or making furniture, can go through such changes without suffering at the time.

The farmer cries for some form of government aid and a McNary-Haugen bill results. The manufacturer is less certain how his ills can be cured, but from time to time he, too, raises his voice to suggest some form of price-fixing under government supervision or a modification of the anti-trust laws.

"The survival of the fittest" is a hard answer to the troubles of the farmer or the manufacturer. There is at least one other way out, to make the unfit farmer and the unfit manufacturer more fit, to help him to find new markets or to lessen costs of production.

Competition Is Costly



Manufacturers Association.

"In the last few years," he said, "the Bethlehem Steel Company has spent \$80,000,000 bettering its processes. After four years I find we have reduced our cost an average of \$7 a ton but that we have sold steel at an average of \$8 less a ton than we did before we started the program."

Mr. Schwab's remedy, or a part of his remedy is to modify the anti-trust laws to permit manufacturers to

GRIM figures of the high cost of competition were given by Charles M. Schwab at a recent sales and distribution conference called together by the Bolt, Nut and Rivet

combine in selling. It is the fashion nowadays to call a modification of the Sherman act to cure all sorts of ills, but those who urge its modification might well consider one thing that stands in the pathway towards a relaxation of the law.

The "trust" we were taught to fear at the beginning of this century, the "trust" against which spellbinders inveigled and which "trustbusters" sought to bust was a trust of manufacturers.

What of the new forces at work in the fields of retailing? What of the chain stores?

Are not the worried and harassed retailers more apt to ask stricter legislation against "big business" than to see our laws modified?

A Business Cleans House



The wayfarer by automobile tells with glee that he saw
"Ye Olde Hotte Dogge Shoppe"

or

"Mom's Place. Pops on Ice,"

but he doesn't think that every stand is invested capital, every stand keeper must struggle with the same questions of buying, and selling, and mark up, and display that worry the store whose turnover is measured in seven figures.

The wayside dealers in food and drink have taken a step to put their business on a more intelligent basis. They have begun by forming the National Stand Owners' Association.

Their aims as outlined in their first bulletin are sensible and quite possible of achievement. They want to make the road-side stand worthy of public trust, to give it a reputation for cleanliness, to capitalize appearance as an asset.

All worthwhile objects, all objects can best be achieved by cooperation and by self-regulation of business.

There is no business, whether it be selling sandwiches or manufacturing steam shovels which cannot be helped by an intelligent consideration of its own problems and education from within, the elimination of the unfit by making them fit is always better than government regulation coming in to throttle the whole industry.

IT SHOULD be comforting to the lone retailer who hears the ominous clink of cash in chain-store registers to know that powerful friends are working in his behalf. For support of the independent retail store has been pledged by the members of the New England Grand Council, United Commercial Travelers of America, and they also propose to develop closer cooperation among the retailer, wholesaler, and manufacturer. "Secret" though this fraternal organization is, it seems to want the public to know that there is to be no slip between the retailer and the grip.

WORD about the welding of a coast-to-coast chain of airplane service stations is novel enough to justify the copy writer's pat phrase, "attention value." Those hardy sentimentalists who mourn the good old automobile days probably will miss the promise of "free air."

OF THE 19,777 bills introduced at the last session of Congress, 923 were enacted into law. As a baseball statistician might

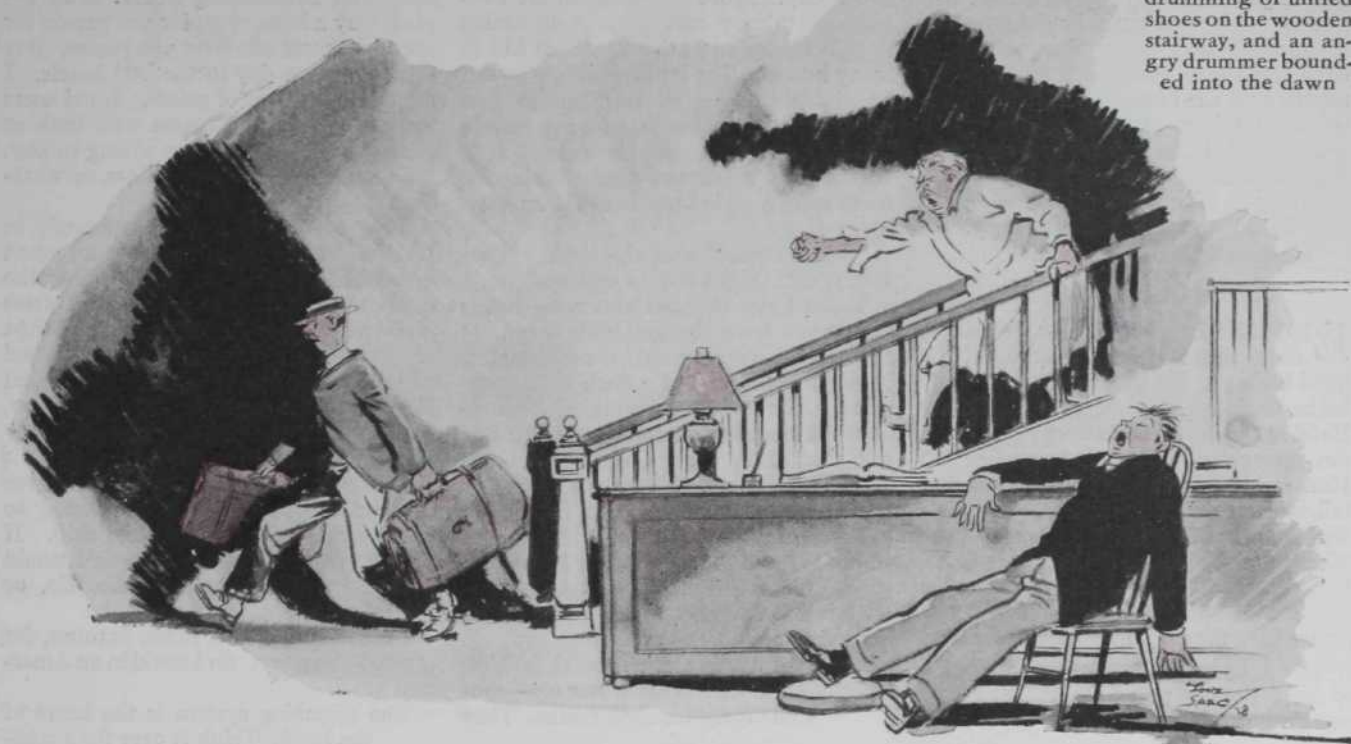
phrase it, House and Senate compiled a batting average of .046 before making their home runs.

PUTTING airplanes on local assessment lists, as Hartford did, seems an action likely to raise tax collections to the level of high finance. And, of course, tax dodgers should find it easier to give collectors the air.

FROM this distance, Turkey's ban on computing machines looks as though it might affect some totals in foreign counting houses. Locally, the action signifies, perhaps, that heads of Turkish households must continue to make domestic budgets matters of diplomacy rather than calculation.

SCIENCE has come to a higher level of human benefaction in designing a sewer system to include a "septic treatment plant." Such a local improvement probably would signify the conversion of a high content of community cynicism into useful optimism.

There was heard the drumming of untied shoes on the wooden stairway, and an angry drummer bounded into the dawn



Eight Dollars a Day

By HERBERT COREY

Cartoons by Tony Sarg

One who knows something of the hotel business looks into the price a guest must pay for his room

WHEN I WAS night clerk of Graham's Hotel in Casper——. That is really all there should be of that, but it is desirable to show that I know the hotel business from the inside.

Anyhow, the night that I was night clerk of Graham's Hotel the boys kept drifting in until four o'clock in the morning. It had been a big night in Casper. The baldheaded cowman from the Big Horn country had tired of a jest which had been standardized to a hypothetical scalping and his fatigue had been accompanied by violence. Paddy Crow's faro bank had lost heavily in defiance of the laws of nature, and the Lost Cabin sheepman had indicated that further remarks derogatory of his calling should be made in the smoke.

Then Old Man Marsh closed his stud game next door and came in with a bedtime story which had to do with an incident of his travels on the Big Circuit. "So,

the one-legged Chinaman," said Old Man Marsh, "got wise that we had rung in a stuffed deck on him and we had to close the game. But he kep' peggin' up and down on the wooden sidewalk underneath my window, and I had to shoot him before I could get my rest."

Hotel Boasts Improvements

I STILL maintain that I was only technically in error. These tales were diverting but the responsibilities of my post were heavy. Graham's Hotel was making history. A key rack had been installed on the very day that the night clerk had been employed, although Graham still locked up the cigar case when he went to bed. He planned to furnish a fresh potato daily for the desk pen and had notified the Wyoming citizenry that the quaint custom of spitting the waitresses as they went to and fro was to be abandoned.

"The next fish-head," said Mr. Gra-

ham, "who spats one of them girls is going to get stuck in the snow. I lost enough plates already."

The night clerk felt himself in a swirl of sophistication as he leaned his elbows on the desk and smoked a good five-cent cigar at his own personal cost. One by one the customers drifted to bed. The gilded youth of Casper's vicinity climbed their cayuses and started for the distant ranches. The little hoofs pattered softly in the dust of the street. The last of the revellers had fallen off the sidewalk for the final time. The dim gleam of the Graham Hotel sign had marked the ivory butts of the City Marshal's six-shooters as he marched toward home.

Casper was at rest.

There was no reason, as it seemed to me then, and as it still seems to me, why the night clerk should not snatch an hour's surcease from care. Yet hardly had I reached the depths of oblivion when there came the drumming of untied shoes upon the wooden stairway of the Graham Hotel and an angry drummer carrying two heavy cases bounded into the dawn toward the Fremont and Elkhorn train, which was then undergoing the thunderings preliminary to its daily trip to Chadron. On his flitting heels came Proprietor Graham, barefooted:

"Did you get his dollar?" asked the

proprietor. The night clerk really did not know what it was all about. The drummer might have been a ghost except that ghosts rarely use such language. The night clerk only knew that something dark and angry had passed and that his mouth held the bitterness of sleep. Proprietor Graham stepped to the porch where roosted Casper's bravest on sunny days, a night shirt cracking against his bare legs in Wyoming's gelid breeze, and raised the long yell to the conductor:

"Hey, Jim! Hold the train!"

In the Good Old Days

ENOUGH has been said, I think, to show that I know something of the hotel business. In those days there were baths on every floor of Brown's Palace Hotel in Denver. Guests were led through the acreages of the dining room of the Planters' Hotel in St. Louis by a safari of tall, black and courtly waiters. The Waldorf-Astoria had given the women of the West their first slogan: "See Peacock Alley or Die." The bill of fare of the dollar dinner at the old Fifth Avenue Hotel was longer than the stock list on the New York

costs began to mount. Now there are three-room suites in New York hotels for \$75 a day. More if you wish. A two-room suite may cost \$35. A habitable double room and bath commands \$16 in many houses. The business man who can recall carrying his pie in a bucket does not pull the desk pen out of a raw potato when he registers. His manicured nails glitter as he withdraws a bakelite instrument from a gilded nozzle set in an onyx base:

"Single room?" asks the clerk. "Certainly, sir. Eight dollars and up."

Times have changed and men, hotels and prices have changed with them. It is in recent memory that a new hotel in New York bragged of a bath with every room. That was something of a sensation. A cleanly but not bigoted people felt that extravagance of this sort was what sunk Rome. There are no rooms without baths in the newer hotels but baths are taken for granted. Four bath towels is the rule in the better houses, although it is true that the period of greatest strain on the hot water system is on Saturday night. Tradition dies hard.

A twenty story hotel in New York—neither new nor old—contains forty bathless rooms. They

much attention to the bath. Well, now, listen. The true occasion for this informative and entertaining article is to explain why a hotel room for one person for one night costs whatever you please. Say eight dollars a day in the best hotels. I am offering no list of prices. Hotel users know they can find rooms with bath at almost any price they are willing to pay.

One-half of that eight dollars, or whatever it is, goes for the bath.

They regard life more temperately in Europe. Over there a bath is an event instead of an incident. I remember the quarters I once had in the North British Hotel in Edinburgh. The room was just ordinary with a fireplace and a thick bed and that sort of thing, but the bath looked like the engine room on an ocean liner, done in shining brass and white tile. Only bigger. One could see at a glance that a bath is a festival in Scotland. Whenever I entered that bathroom I wanted to twine garlands in my hair and skip. If my toes had been strong enough I would have skipped, too—singing Eo, Eo, or whatever the spring song may be.

I could have had a room, bathless, for one half the price. So I could in an American hotel.

The plumbing system is the heart of the hotel. Think it over for a minute and agree. The good old days have passed when a hotel could get away with a four-legged tub in a dark room—with a red light it would have been an ideal photographer's laboratory—and a collection of little cards under glass, which narrated how darned glad the hotel was to catch you.

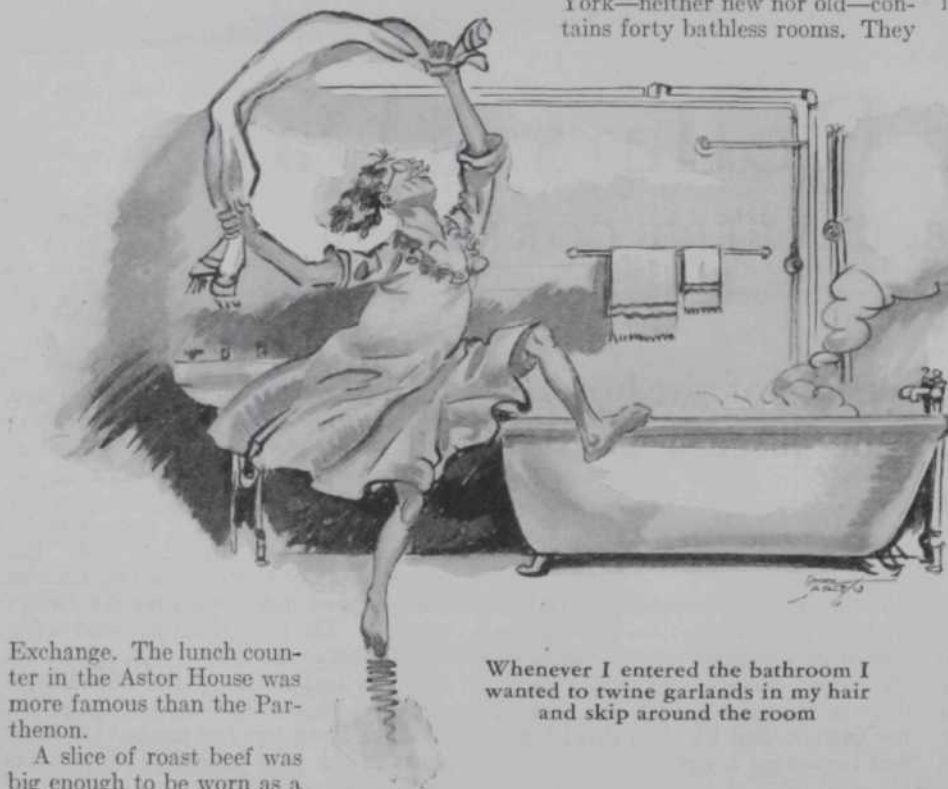
Luxurious Bathrooms

IT IS taken for granted that the bedroom shall be well furnished. It is also taken for granted that the bathroom shall be not far short of luxurious. The new hotels have exhausted white and nickel and are going in for colored tiles and pastel shades. If the customer's wife is a blond she rates a blue bathroom. That's service. Much more impressive than the hearty slap on the back we used to get.

The run-of-the-mine bedroom in a good hotel carries a charge of \$1,000 against it for furnishings. Curtains, rugs, bed, overstuffed chairs, dinky writing desk, arty lamps, that sort of thing. If there is a private radio with cups to fit over your ears, the cost is increased by that much. Once we called for ice water, or gave two stabs at a bell, or moved a brass finger around a circle inscribed with various legitimate needs. If the boy got only a dime he slammed the door. Now we turn a faucet. But the faucet costs money.

Hotelmen formerly ordered pictures for the bedroom walls by the cord. For 1,000 rooms they would have 1,000 studies of a fattish young woman caught by the artist before she had finished dressing, 1,000 pictures of English peasants loading hay,

(Continued on page 54)



Whenever I entered the bathroom I wanted to twine garlands in my hair and skip around the room

Exchange. The lunch counter in the Astor House was more famous than the Parthenon.

A slice of roast beef was big enough to be worn as a shawl. A Kansas City broil was three huge cuts of tenderloin skewered together. The outer layers were charred off on live coals. Men about town opened their luncheon activities with three dozen broiled oysters. New York's gilded set gave twenty-course dinners. Barbecued steers were as common as liverpills. Straight whisky was a dime, and Delmonico served three cocktails for forty cents. The spinach story had become a classic before our fatted wits comprehended that it had signalled a change:

"What! A quarter for spinach? You can't carry a quarter's worth of spinach!"

Hotel rooms had been a dollar. Then

are the last to be let. Yet they contain hot running water and a mule load of towels. In Europe, where the people are not a prey to the bath madness, they would be considered quite good enough for a duke—even for a small king. I remember that on one occasion I visited the palace of King Leopold, in the outskirts of Brussels, and made a careful study of that luxurious abode. In it I found one large bath room for the king, a small bathroom for visiting royalty, and five copies of the Temptation of St. Anthony.

Perhaps you think I am paying too

Two Play-boys Turn Business Men

By EDWIN C. HILL

Illustrations by J. D. Irwin



T. Harold Forbes



Francis T. Hunter

AN actor and a tennis champion find out what it is the country newspaper has to sell—and launch a successful chain to sell it

EDITORS and publishers who win success upon the hard-fought field of modern journalism and who come to wield a powerful influence upon the business and social life of a widespread community do not, ordinarily, leap from the vaudeville stage or the tennis court to such highly specialized careers.

Dana of *The Sun* would have been a pretty ridiculous figure upon the tennis courts of his time, and so would have been the elder Bennett. You can hardly visualize even a youthful Watterson as a soft-shoe dancer, or picture a Pulitzer smacking agile feet in the glow of the spotlight. A fantastic parallel, if you please, yet permissible, possibly, to throw, into sharp silhouette, the achievement of two young men who prepared themselves—one under George M. Cohan in musical comedy, and the other under Big Bill Tilden in international tennis—to rehabilitate the rural journalism of an important and populous county in the backyard of America's greatest city.

No Journalistic Training

THAROLD FORBES and Francis T. Hunter are the youthful team who turned suddenly from entertainment and sport to clip the long whiskers of country journalism, put it into a suit of modern clothes and bring it smack up to date. The one, Forbes, had spent years on the varieties stage, at the very heels of Cohan. The other, Hunter, is still one of the world's great tennis players; a Davis Cup champion; No. 2 on the roster of America's superlatively able racqueteers. Forbes is forty, Hunter thirty-three—yet, with all their youth and unconventional training, they have played and are playing a curiously forceful part in the amaz-

ing recrudescence of country newspapers.

Fate, if you like, made each an effective complement of the other; one gifted in intelligent execution, the other talented congenitally in business and finance.

Young Forbes, it is true, had a bit of ink on his fingers. His father owned the *New Rochelle Star* for many years, and he played around the shop more or less as a growing boy. But he had no notion of becoming editor or publisher. The footlights lured him. He could shake a lively foot. And so he came to jiggle those lively feet for a living, helped out by his Irish wit and a singing voice just good enough to fool the public. Then his health collapsed, and when it bettered he found nothing better to do than take hold of a little three-by-six country newspaper, and



The old-fashioned country editor seldom received cash for advertising space or subscriptions

when he made that earn real money (to his own private amazement) he got real ambitious and bought the family paper, the *New Rochelle Star*—and then he teamed up with another *New Rochelle* boy, Frank Hunter, the tennis player.

Small Start of Big Chain

FRANK had been in the Navy during the big war, and when he got out of the service he went to work hustling freight business for a steamship company—hustling business and arranging loans with banks, loans needed to finance cargoes. That sent him down to the West Virginia coal mining country to run mines that provided freight for his steamship company, and down in Beckley, W. Va. (and here is where the long arm of coincidence does actually stretch forth) he got interested in a country newspaper, bought it, ran it for two years and made it pay very nicely.

Then he met Harold Forbes and the two of them, a little intoxicated with the heavy wine of newspaper success, got the big idea of going into their home county of Westchester, taking hold of a string of country papers, renovating and rebuilding them, and readjusting them to serve the needs of their individual communities.

That idea took nerve and it demanded brains. They were born with those assets, and they had acquired by hard knocks a lot of mighty useful experience. But they didn't have much money, as money goes nowadays.

They were sure they had located a gold mine, or a bunch of gold mines in a lot of neglected journalistic claims, but it was going to take very hard cash to accomplish the development work and install the mining machinery. And there is where young Mr. Hunter, the tennis player, really leaped into the picture. Young Mr. Forbes was all set to be a great editorial executive, but getting the money, a

(Continued on page 104)

I HAVE sinned. I ask forgiveness of any business men whom I may have encouraged to think about the new competition. I ask the forgiveness of any trade association secretary to whom I may have indirectly sent a new member.

Judging from innumerable letters and conversations I feel that I have committed so many sins that I ought to be made president of the Good Intentions Paving Corporation. But since it wouldn't do for me to sit at my desk in sackcloth and ashes, I am making a public repentance right here in the very pages in which I sinned.

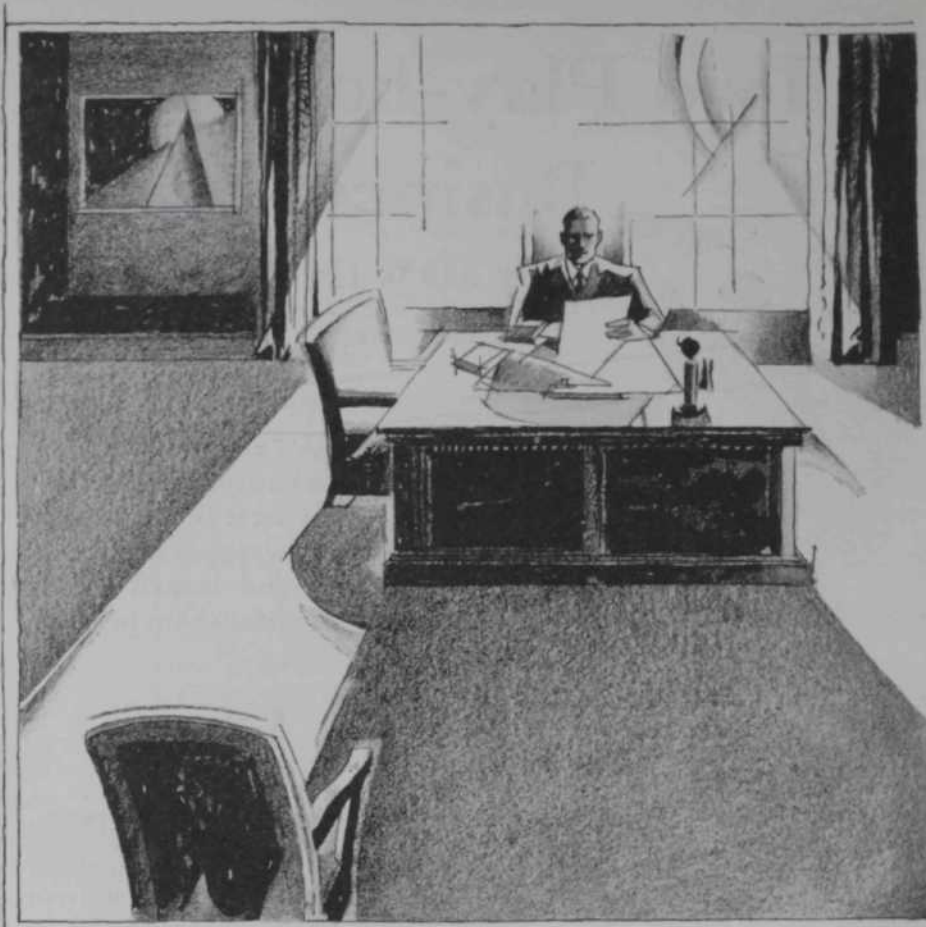
I admit that the idea of the new competition is attractive. It is easy to devote all one's time to studying it and the almost infinite variety of tricks it plays with business. I cannot blame advertising men, bankers and trade association executives, and business men generally, for succumbing to the fatal fascination of the subject.

The new cooperation, too, is inspiring. What can so stir the pulses as the feeling that all the leading suspender manufacturers are marching forth as a great host to do battle with the belt makers? To feel that all over the land, in every suspender plant, there is a keen-eyed individual who is our competitor but who is also our fellow-fighter in this great war, who is sitting there at his desk, thinking of us in the same way and thinking of great plans for reviving the glory of suspenders—it is thrilling!

Mergers and Super-mergers

AND then there are mergers. Mergers have almost won from murders the honor of big newspaper headlines. This is "an era of big business," as we have been told, and at 4:00 o'clock this afternoon it will be an era of bigger business. We must keep pace—to be small is to be antiquated, and to be antiquated is to be lost. Therefore we must all merge into a nation-wide super-corporation of holding companies, holding everything in our line and every other line we can buy into for greater glory of the American idea and of the stock salesmen.

Now, I do not bring up these exhilarating ideas of the new economics in extenuation of my crimes. They are simple



Mind Your Own

By O. H. CHENEY

Vice President, American Exchange Irving Trust Company, New York

pictures which explain why these ideas have gripped so strongly the American business imagination and show the alluring guises which the insidious evil now afflicting us can take.

It is sad to feel that so many cases of "red ink prosperity" in our business today are due to keen management and broad vision—to the cooperative spirit and to big ideas. There are today too many executives who are spending so much time watching their competitors "like a hawk" that they have no time to watch their own business.

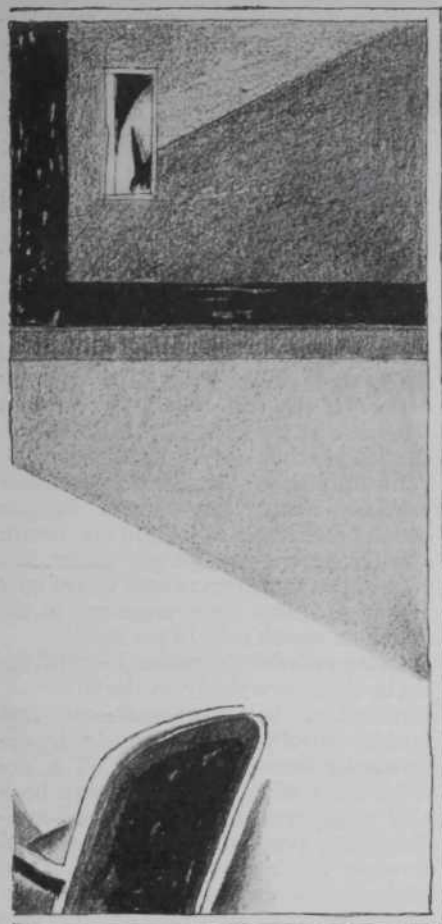
Too many have been so impressed with the dangers of the new competition that they are gladly paying their semi-annual trade association dues on time and are leaving all the problems of the industry to the association secretary and the advertising agency. There are too many who are so far-sighted that they forget tomorrow's payroll and so broad-visioned that they cannot see the coal going up the smoke-stack and the stock room eating its head off in carrying charges. Too many are sitting around waiting to be

merged into a billion-dollar corporation.

Big ideas, far-seeing plans, the new cooperation—these are all beautiful, inspiring and vitally necessary in these days of the new competition. But they are not a substitute for work—for constant attention to every detail, for continuous improvement, for everlasting self-questioning and self-research. Too many business men today are mentally keeping the engine running while they are parking.

The machinery of business seems to be developing each day new knocks and squeaks. It would be interesting to record all the "reasons" why business is not so good which I hear in the course of a week. A clever revue producer could turn them into a big hit for tired business men entitled "Wails of 1928." Business men seem to be so overwhelmed by insoluble problems and utterly uncontrollable causes for low profits that it is a wonder business can go on at all.

And in the last few months there is being heard abroad through the land, ever more often, the cry from the weary soul, "What's the use? I've been in this busi-



"WHAT a revolution it would be if every executive would sacrifice just one 'conference' of his many each week to a conference with himself—not watching the other fellow, but minding his own business"

their hearts and souls into an article which didn't mean anything, which netted low profits and a high proportion of waste in cutting and spoilage in handling. This mill cut up its cheesecloth into five and ten yard lengths, put them into cheerful packages with an attractive name, advertised and displayed them. It ceased to be just another cheesecloth mill—by the simple expedient of cutting up its cloth, it stopped cutting its competitors' throats or exposing its own.

The men's garter business is competitive. No man can wear more than a pair of garters at a time—it is easy to cut

Business

Illustration
by Thomas Benrimo

ness now for twenty-seven years and this season is the worst yet. What's the good of sweating to get a couple of orders and probably lose money on them? All I have to do is to call up my broker and give him an order to buy a hundred shares of something and I can make more money by picking up the phone than by working for six months. I might just as well be out this afternoon improving my putting." And, very often, he might!

Cutting Uneconomic Throats

"HOW can we make money? There are too many people in this business—all we can do is to cut each other's throats." That is one of the most frequent wails. Cutting each other's throats is probably even less economically sound as a basis for business than taking in each other's washing. But there is a great brotherhood of throat-cutters who are convinced that throat-cutting is the only remedy and that business will get better as soon as enough throats have been permanently cut.

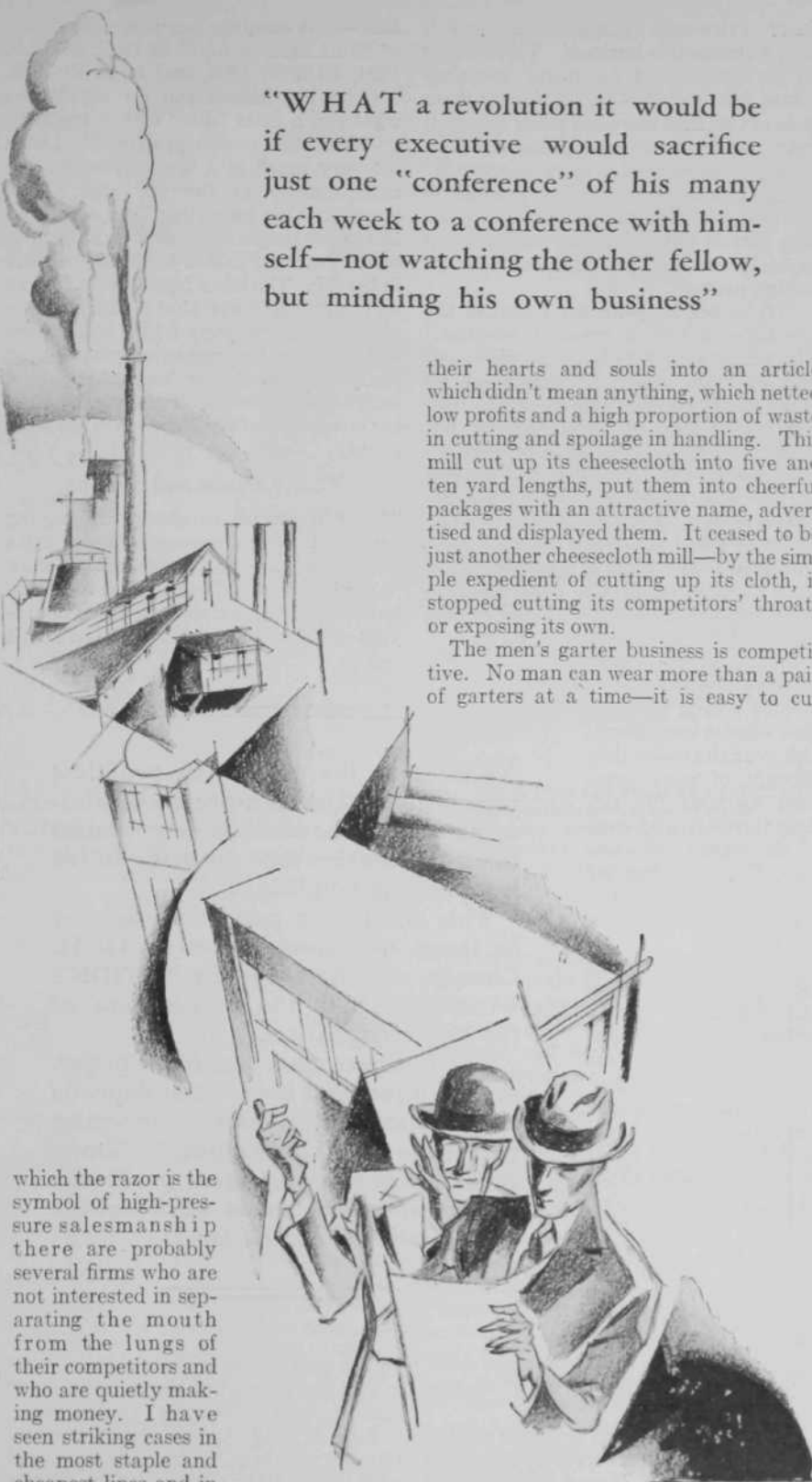
In every one of the lines of business in

which the razor is the symbol of high-pressure salesmanship there are probably several firms who are not interested in separating the mouth from the lungs of their competitors and who are quietly making money. I have seen striking cases in the most staple and cheapest lines and in high-priced specialty lines.

Take cheesecloth, for instance—cotton mills have been making cheesecloth for years—and almost anybody can make it and a great many do—at any cost and any price. Cheesecloth has always been cheesecloth—and has therefore been sold to dry goods wholesalers in sixty-yard bolts. Retailers sold it without a thrill.

One day an old cotton mill took a good look at the cheesecloth business and discovered why retailers could not really put

prices—and garters can be bought in five-and-ten-cent stores. One maker decided to get out of the competition crowd by the unbusinesslike device of increasing prices—giving better garters and charging more. He discovered a growing demand. Retailers begged him for garters which would sell at a dollar a pair, and after much effort his designers created garters which were worth a dollar. They sold so well that there is now a cry for garters which will retail at two dollars a



pair! Price-wars are never so exciting as in the automobile business. There seems to be no prospect for many manufacturers but oblivion—and many of them pass out so that there are fewer left each year. And yet some companies continue to make money—the most spectacular money-making company at present in the field has the strange competitive notion that in order to make profits it has to decide on what profits it wants before setting prices!

"We're helpless—we can't control the weather—ours is a seasonal business." This season argument is an all-year-round wail wherever you go. "Some years we make money—some years we don't. How can we be sure of anything? A few months of the year we have to work almost a forty-eight-hour day, and the rest of the year we all sit around playing poker. When we are rushed our costs go up because we have to pay overtime rates and have to use a lot of green help. In slack months we have to drop even the good workers because nothing is coming in, while the overhead keeps on going."

Some concerns appear to have decided that it will be a long time before science can control the weather—so they thought of more practical methods for riding themselves of some of the curse of the seasons. Take radiators, for instance—use and installation both depend on the weather.

One manufacturer of heating equipment found that during the months of February, March and April, production was twice as much as sales; in the next three months, production was 15 per cent in excess of sales; in the succeeding three, the heavy buying season, sales exceeded output by 50 per cent, and in the remaining months sales were slightly under production. During the October peak manufacturing costs were high because of night work, extra pay, inexperienced labor, storage costs.

The company decided to flatten out the sales and production curves by encouraging consumers to change their buying habits—by touching the pocketbook nerve. A "period price policy" was developed—during the first period, the price level was held at the minimum—during the second, prices were automatically advanced $2\frac{1}{2}$ per cent, with another $2\frac{1}{2}$ per cent advance in the third period, and a $2\frac{1}{2}$ per cent reduction in the fourth.

This program was a good target for sharpshooting by competitors, but the company held firm—and won. A three-year program of changing manufacturing methods was practically finished in

1927—and earnings per share rose from \$6.70 in 1922 to \$7.57 in 1923, \$8.59 in 1924, \$8.97 in 1925, and \$9.66 in 1926.

"The big fellows can do anything—what can a little fellow with a specialty do about this season problem?" Dates are very much of a specialty—they are eaten mostly in the fall and winter months. One importing firm employed 300 to 400 people in the first eight months of the year and had to triple the number in the fall. The labor turnover was heavy and turnover costs about \$42 per employee. The company added other lines and budgeted its production program for the year—and it now keeps 600 people busy all year around. Turnover has been cut out; incidentally, floor space has been saved.

Yearly Peaks and Slumps

"IT'S impossible to change the buying habits of my customers and I can't add to my line—such ideas wouldn't work in my business." That is what the automobile industry found. In spite of the all-year use of autos and the fact that about

WHAT is the answer to profitless prosperity? To high-pressure salesmanship? To the countless complaints of businesses that they are being killed by changing conditions?

This article is a part of the answer to those questions. It is by O. H. Cheney, who first told in NATION'S BUSINESS about the present era of the new competition.

The business man, says Mr. Cheney, must not feel that his success depends alone upon "big ideas, far-seeing plans, the new cooperation." Short-cuts do not solve business problems. The business man must work out his own salvation—*The Editor*

70 per cent of cars are now closed, spring is still the time when the popular fancy seems to turn to thoughts of a new car.

Sales in July, August, September and October are about "normal" as compared with the monthly average for the year as a whole; January sales run about half of the average and April twice as high as the average. To produce at peak would naturally mean a plant capacity twice that for average production, with excessive capital investment, fixed charges and fluctuation in labor forces.

At the same time, if production is kept at a level, cars would have to be made and stocked during the cool months, with high storage and inventory carrying costs. Here is one of the most beautiful specimens of that weird animal, the horned

dilemma, in captivity. The beast has been tamed by the automobile manufacturing company already referred to as a result of a close study of its life and habits. The treatment in this case is the application of the principle of keeping production as level as possible without overstocking by forecasting far in advance and by maintaining close control of actual operations.

The year's business is forecast in advance with as much accuracy as is humanly possible. Production schedules are laid out—but are carefully watched and checked against reports of actual sales turned in every ten days by every dealer. If any real discrepancy between forecast and report is revealed, the production schedule is immediately adjusted.

In this plan is one answer to the labor problem—steadier employment. In spite of sales four times as high in one month as in another, employment under this plan in the maximum month varied only 11 per cent from the average and in the minimum month only 18 per cent.

Those with dealer problems—which include about everybody in the manufacturing and wholesaling fields—may find in this control plan a solution to the demands for increased turnover. The 15,000 dealers of this company have been able to improve their financial and merchandising position by the accelerated turnover under the plan—a turnover of twelve times a year (in automobiles!), and 25 per cent better than any previous year before the plan was adopted.

A Program in Buying

BUT there is another "queer" notion by which those who developed this plan seem to have been bitten. It was right after the terrific liquidation losses of 1920-1921—and perhaps they were not quite responsible during that economic "morning after"—that they had the strange idea they should cooperate with the people from whom they bought materials, supplies and equipment.

The idea that one may have anything to do with a vendor except beat down his price is a new one in American business—"let the seller beware" seems to be just as powerful a guiding slogan as "let the buyer beware"—and each aggravates the results of the other.

This automobile company decided on a system of inventory and purchase control and is cooperating with every vendor in making it work. All kinds of material or supplies are scheduled with reference to conditions under which they are delivered, point of origin, transportation, etc. Purchases are ordered far enough ahead to assure proper delivery at the time needed in the production schedule. At the same time every effort is made to keep the vendors' plants busy, happy and profitable.

As a result of this apparently altruistic concern for the vendors' welfare, the total inventory turnover of this manufacturer rose to 6.3 times a year, 33 per cent better than the best previous year, while in pro-

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Color— a Real Business Problem

By ALLEN L. BILLINGSLEY

Vice President, Fuller & Smith, Cleveland, Ohio

Illustrations by L. W. Cook

"COLOR is one of the best things that ever happened to the portable typewriter," say dealers in Buffalo, Ft. Wayne, Cleveland, Washington and other similar centers. They report from 20 to 40 per cent of sales in colored models. In many instances prices are higher, so the profit is larger.

"Color is a darned nuisance," say plumbing and electrical jobbers in these same cities. "We can't afford to stock half a dozen, or even three colors in all models. The business isn't worth the trouble."

"People are interested in colored kitchen ranges," reports a leading manufacturer, "but they're not buying in large quantities. Our sales of colored models to date are not impressive."

The foregoing statements reflect something of the situation with color in the newer types of merchandise to which it is being applied.

Color is practically an accepted thing in clothing, in decorative materials, in automobiles, in fountain pens and in so-called style merchandise.

Of late, however, color has been assailing the consuming markets from new sides. Everything for the kitchen, for example, from ranges to salt canisters is being offered in vivid greens and blues and yellows. For the bathroom there are azure lavatories and curtains, jet black bath tubs, tinted towel racks and tissues.

An inquiry as to what color is accomplishing for the sale of many of these products does not paint them all in vivid hues, however.

There are shades and contrasts to the picture. If this is the "age of color," as it is currently described, then some of the newer products that are marching to market in gay garb, are not yet fully grown up, if the reports of dealers are to be relied upon.

The first dull, drab truth about color as a sales force for certain kinds of merchandise is that it seriously complicates the stocking problem. Where jobbers and dealers have now to estimate popular demand in terms of quantity and style, with color in the foreground, they have to forecast public demands in

Vivid reds and blues and yellows assail the consumer from all sides. In the kitchen everything is in color, from ranges to salt canisters

terms of tints and hues as well. In the electrical industry particularly, where complete stocks must include ratings and frequencies and voltages, as well as models, types, and sizes, color is a most unwelcome newcomer.

Problems of Tints and Hues

ONE PROGRESSIVE jobber in the middle west voiced the general opinion when he said:

"We'll come to color if we have to, but not until we have to. We don't want to advocate it. The jobber is being urged today to order goods in car-load lots. It is imperative that he have in stock the goods which the public wants when it wants them."

"Despite general agitation of the subject, there are still very few jobbers who have minimum stock systems, or other means of keeping their stocks complete at all times."

"My belief is that the electrical manufacturers of the country could increase their business twenty-five per cent merely by inducing jobbers to have on hand the stocks necessary to serve the trade. How can the manufacturer expect to accomplish this, if to the already wide variety of sizes, types, and models he asks the jobber to add a complete line of tints and hues!"

A second difficulty confronting both manufacturer and jobber, once color has been adopted, is how to interpret accurately the tastes of the market and



How can business secure protection for itself against sudden changes in the public's taste for color?

particularly how to secure protection against sudden changes in color preferences on the part of the buyer. The consuming public today has been termed a "market of discontent" because of the fickleness of its buying habits, and the suddenness with which it shifts its favor and preferences. Perhaps in no other direction have most of us as pronounced likes and dislikes, or do we reserve so wholeheartedly the right to change our minds, as with reference to our choices of color.

Students of the color situation assert that people go through certain stages of development in their color preferences. After indulging their elemental cravings for reds and greens and yellows, they turn their backs upon these colors and begin to surround themselves with softer shades. How shall a manufacturer with a national market, planning production schedules far in advance, know how to interpret the stages of his market in the color cycle? How shall he insure himself against wrong guesses, against the fatal error of bringing out tints when his market wants strong hues, and vice versa?

Many of the products to which color has lately been applied are those representing a large initial investment and which are ordinarily purchased with the expectation of their having a long life. A kitchen range or refrigerator, or more particularly a bath tub, is something that the average buyer, at least up to the present time, has not expected to change frequently, as he might the window draperies.

The purchase of one of these products in jade green raises a very natural question as to how the purchaser may like the prospect of living with that color through several years. Dealers emphasize consideration of this as affecting vitally the ultimate breadth of the market for colors in the products of this type.

A representative of Good Housekeeping Institute, commenting on the growing use of color in kitchen equipment, emphasizes the troubles in store for manufacturers.

"Already calls are coming in for new colors and shades of colors. What does this mean to the manufacturer? It means that a certain color may be in much demand for a time, but that it may decrease more or less suddenly in popularity. This leaves unsold stocks of equipment and losses to someone. Manufacturers are realizing this very definitely and are beginning to cooperate with one another in an effort to stabilize the present rather confusing situation and decide upon a few colors that will last because of their sheer beauty and adaptability."

In Mass and Unit, Too

ONE of the conditions working against such standardization as proposed in this statement, however, is that color taste, and the indulgence of color taste is an individual matter, and the more daring one's color sense, the more he wants to indulge it, his pocketbook permitting. Manufacturers going in for color have perceived in it a means of catering to the customer's desire for individual expression. To determine a range of colors sufficiently broad to permit of this and still sufficiently limited to accommodate the requirements of standardized, large-scale production is not an easy problem.

The extremes to which purchasers may go in seeking to indulge their color sense are illustrated by the request made of one plumbing goods manufacturer by a New York artist for a bath tub tinted to match the stone in a favorite ring.

The problem of matching colors accurately is difficult for the plumbing goods manufacturers because enameled ware, which is ordinarily used for bath tubs, must be fired at a different temperature from the china used for lavatories and other fixtures. The process of compounding the two materials is different.

To meet this situation, one manufac-

turer who has led the way in color is stressing with the public the desirability of contrast in the bathroom, thus avoiding the necessity of an absolute match. This manufacturer is featuring pastel shades and advocates selections that will be harmonious, with no attempt at duplication of one prevailing tone throughout all fixtures.

Despite the foregoing, there are many arguments for the introduction of color that commend it to manufacturers as a means of stimulating sales and commanding advantage in the market. One of the first of these is that it may alter entirely the way in which a product is regarded by purchasers. The household clock affords an excellent illustration.

Until color came into the time-keeping business, a clock was regarded by the average householder solely as an article of utility. You had one or two good clocks to help you keep going and so long as they functioned reliably there was no reason to change them.

By altering the conventional designs of clocks, however, and making them gems of coloration, manufacturers have lifted this product from the class of pure utility to that of decoration as well. As a result, householders now buy clocks to go with the decorative schemes of every room. They buy more clocks because the clock itself contributes to the decorative effect. Then, whenever the decorative scheme is changed, the clock, too, is changed.

Clocks and Typewriters in Color

JEWELERS report that color has given a real impetus to the clock business—that it undoubtedly is responsible for sales that otherwise would not have been made. In keeping with the modern trend, alarm clocks and kitchen clocks are now being offered in tones to match the more popular kitchen decorative schemes.

The portable typewriter is made and sold as a personal typewriting machine. Color has undoubtedly helped to get this idea over, first by differentiating the smaller typewriter from its more

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Styles reflect an interest in primary colors which has been stimulated by the invasion of Czecho-Slovaks, Italians and other Southern European races

Do Japanese read magazines? Seiji Noma thought they should and now they do



Japan's Lord of Printer's Ink

By SHUNKICHI AKIMOTO

"SPARROWS cannot plumb the depths of an eagle's mind," said an ancient hero in the Chinese classics. In the world of human beings there must be eagles and there must be sparrows. Whenever I have read the life of a big man or woman, I have felt as if I had come across a specimen of human eagle whose mind belonged to a different sphere of existence, and I am puzzled whether to admire, envy or emulate the subject of the book.

Such experience I have recently undergone. It has been a staggering one, and from its effects I am not as yet quite recovered. It is as if I had been traveling in the desert, my eyes rivetted on the sandy ground below, and looking up, I saw the pyramid towering in the sky before my startled vision.

Of this man, Seiji Noma, I had heard for years, and after having seen and talked with him in a long interview recently obtained, and learned something of the nature of his colossal work, I am convinced that there are giants even in these days of democratic nonentities.

Here is a giant comparatively little known to foreigners because of the nature of his work. He is a publisher of Japanese popular magazines and books, a unique character, the like of whom has never been witnessed in Japan. The figures mentioned of his

TO a man who thinks of Japan in terms of cherry blossoms and harakiri and "The Mikado" in general, this article will be an eye-opener. Here is the story of Seiji Noma who publishes nine magazines, one of which has a circulation of 1,500,000.

Truly Cyrus Curtis may be called the Seiji Noma of the United States



various publications appear fabulous.

One of his monthlies, the "King" magazine, is said to command the circulation of a million and a half. He publishes eight other monthlies, and the total number of his readers is estimated at more than 10,000,000, that is, one out of every five Japanese is a reader of his magazines. Setting aside the question of accuracy or otherwise of these enormous figures, there is enough ocular evidence to prove that he is decidedly the "King" of Japanese publishing. A casual inquiry at the nearest bookseller's will elicit the answer that from 70 to 80 per cent of the magazines sold are those published by the Kodansha of Mr. Noma.

Bigger and Better Magazines

SEIJI NOMA goes in for mass production; for popular stories that fit men, women and children of all sorts and conditions, and he is by far the largest consumer of paper and ink there is in Japan. Of how many tons of paper, or how many gallons of ink, he is thus using every month I am not informed, nor is it my purpose here to enter into such details of his business.

Suffice it that besides having published hundreds of books, he is actually running nine big magazines, and is contemplating, it is said, newer and bigger publications. Such men can-

not stand still. Some years ago widespread disasters were predicted, and there was a conference among the magazine publishers as to the advisability of restricting advertisements which seemed to have reached the limit of their capacity, for their mutual protection.

Mr. Noma, who was the innovator of one-page advertisements and therefore the original sinner and promoter in this "fatal" advertisement rivalry, refused to take part in the conference, and the result was that the rivalry grew still more fierce. Now, it is no novelty in these days to see huge magazine advertisements of startling size, often one whole page, even two pages, in our largest dailies.

Mr. Noma once spent no less than 100,000 yen in boosting a single issue of one of his periodicals. He is a reckless believer in the new doctrine that "advertising pays," and acts on it, to the surprise and disgust of his rivals. Each year, nay, each month, he springs new surprises on the reading public, and instead of fulfilling the predictions of the gloomy prophets seems to thrive more and more.

Originality Par Excellence

THE popular opinions about him are conflicting. Men doing any business on a large scale may be supposed to have original methods of their own, as well as characters that may be called exceptional, if not eccentric, but one is not prepared for a description such as this.

Mr. Noma has never once appeared at his office; he is an inveterate stay-at-home, sleeping by day and working at night, like a thief; and the gate of his palatial home is ever shut, as if it were a house-to-let, against all callers.

During the hours of daylight, which are the working time of ordinary business men, he will be found fencing, his favorite pastime—that is, if he is awake. He has tremendous physical powers of endurance, being able to go without sleep for three days and nights; he has an infinite capacity for driving good bargains, for borrowing money, and has an uncanny talent for the right friendships.

There was some difficulty in obtaining an interview with such a man. One busier than Mr. Noma it would be hard to imagine. What I wanted was a good thorough view of him, together with a substantial conversation, but nearly two months had to pass after a letter of introduction had been presented before I was able to see him. The ice being once broken, I was allowed to meet him for a second time, and then again for a third time, and was thus enabled, as I thought, to gain a few intimate glimpses into his inner character.

The first impression made upon me of Mr. Noma was that of a soldier, a school-master, a college principal, something farthest removed from that of a business man.

His is a striking personality with a large physique, twice the size of the average Japanese, with a large head, strong brows, eagle eyes, and bushy mustache streaked with gray.

It needs but a glance to tell that he is

a man with some big idea in his head. His age is about 50, and he is in that ideal stage of manhood in which his outward shell does not belie a man of his work and reputation. From crown to toe you behold the marks of the fighter, but his voice is soft, evidently simulated for definite purpose.

Chesterfieldian Politeness

HIS manners are those of a master of ceremony, polite and affable, and in his well-regulated accents and highly polished diction there are unmistakable signs of Chesterfieldian dexterity. Mr. Noma is an expert talker.

"Once I heard the story of an American publisher," he said, "who was getting out a million copies of one magazine, and I said to myself that there was no reason why we could not do the same in Japan.

It was my starting point, and was with me a strong faith, a conviction, and now I have the satisfaction of knowing that the Japanese have an inexhaustible capacity for reading magazines, a capacity which can yet be exploited.

"Once upon a time, reading was a task, a study, the pastime of the highly educated; that they should read for amusement, or as a means to make up for lack of regular education, did not occur to the general public. One reason was that there were no popular magazines edited for those purposes, and if there were, they were not advertised enough. In a country like Japan, where, thanks to our *kana*, even coolies and other uneducated folk can read to some extent, it was obvious that we could make them read magazines, if only they were interesting enough, and were advertised enough."

Business Men You Have Read About



CITY HONORS HIM

All the news that's fit to print for fifty years. That's Adolph S. Ochs, N. Y. Times publisher, who recently celebrated the fiftieth anniversary of his journalistic career at Chattanooga, Tenn., where he began. That city honored him



TOP OF THE WHEEL

In Tampico, Mexico, I. B. Sutton sells hardware at wholesale to the natives. He founded the American Chamber at Tampico; recently he was named president of Rotary International. He hails from Michigan



TOO MANY LAWS

Legal tinkering with railroads makes him protest. W. L. Ross, president of Nickel Plate System, is not opposed to regulation, but he is against strangulation and overregulation. A convert to the Fewer-Laws Club



KIWANIS HEAD

C. Samuel Cummings of Kansas City, Mo., was elected president of the Kiwanis International at its recent convention. The newly elected luncheon club leader is an official in the Kansas City Life Insurance Co.



NEW CANVAS

Profits from the elephant and clown business are going for the higher arts. John Ringling is the donor, and Sarasota, Florida, is the place he is to pitch the big top for culture. It is to have a school as well as a fine gallery



PRIZE WINNER

His boss is American business, and he has made that boss proud. He won \$1,000, first prize in a model traffic plan competition. He is Gardner S. Rogers, department official of the Chamber of Commerce of the United States

"What doctrines, if any, are you trying to propagate among your readers?" I asked. "What is the animating spirit of your enterprise? You have an enormous influence for good or bad!"

Mr. Noma: "I am but too conscious of it myself. I feel I have a mission to fulfil, and if you allow me to say it, I am endeavoring to discharge that mission."

"What may that be, please?"

Mr. Noma: "In one word, it is to make Japan great. You may laugh at this; you may think me old-fashioned, or not quite up-to-date. I fear I am not deep in the learning of the wise, especially in matters pertaining to the civilization of the West."

"I understand no foreign languages; what little I know about Western civilization is through Japanese translations; for my own culture I am principally indebted to Chinese and Japanese classics. So I

have much to learn, and am anxious to learn.

"For the present, however, I retain my old faith—the faith that was the moving spirit of my youth. I started life as a primary-school teacher, and the habit of thinking of the teacher cleaves to me still."

Thus the publisher talked in the vein of a school-man rather than a business man. Mrs. Noma, an elegant woman of what you might call the old classic type, still in the comfortable forties, occasionally came in, and joined in the conversation, and now and then her husband would turn to her for her opinion when speaking on a subject he thought she knew better.

What was the most painful experience he had ever had in his strenuous career? was my next question.

"What was it?" he turned to his wife, who hung her head in a pregnant silence which seemed to contain a world of meaning. "I have had too many to say which were the most painful, but even of the greatest of my trials in the past I can take, in the retrospect, a calm, philosophical view; for pain and pleasure are invariably linked, following one after another as night and day.

"For instance, I had what then seemed to me the most painful experience when I walked about the streets of Tokyo, seeking a publisher who would undertake my first magazine 'Yuben' (Eloquence).

"Days and days of fruitless peregrination in the city passed, till one day I dropped into a public telephone box, and turned over the pages of the telephone number book, looking up likely publishing houses. I selected one haphazard, and went to that company in the Ginza, and meeting its manager, I talked with deadly earnestness, and at the end of it I expected to hear 'No,' when, to my delight, I heard 'Yes.'

"The joy of this moment banished all the gloom that preceded it, and a year after this the management of Yuben passed into my hands. A short period of elation ensued, and then came the darkness again of the hardship of management, and so on."

Seiji Noma was born in Gunma, a prefecture which enjoys the distinction of having produced no great men in the history of Meiji. His grandfather on his mother's side was a distinguished scholar and swordsman who served as teacher in the Hoshina family, a branch of the Aizu clan, which opposed the Imperialists in the war of the Restoration. In the battle of 1868 between the Imperialists and the Aizu warriors, his grandfather and two of his uncles perished fighting.

Editor and Fencer

MR. NOMA'S father was an accomplished fencer and swordsman, and in his early boyhood, the subject of this sketch became a pupil in the school of fencing where his father had formerly taught. It is little wonder then that Seiji in his schoolboy days gained many medals in fencing contests at his school.

The history of early Meiji is the history of the rise of the Imperialist clans of Satsuma and Choshu, etc., and this meant a reverse of fortune for the opposing clans. The Nomas were no exception to the rule; extreme poverty reigned in their home, and there was not even a mosquito net to protect their bodies on summer nights.

Mr. Noma's mother, who had witnessed the tragic deaths of her own father and brothers, constantly dinned into his ears the tales of bravery of her ancestors and impressed his mind with the fateful lesson that it would be a crime if he forgot his ancestors and did not become a man worthy of their name. Ambition became the keynote of Seiji's young character.

At fifteen, he graduated from the primary school, and tried to enter the Military Preparatory School in Tokyo, but

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In the Passing News of the Month



RICH; GIVES

Only a few years ago A. E. Fitkin was a poor teacher and clergyman. He became interested in utilities, and made \$30,000,000 in a hurry. Recently he gave Yale a million dollars for the care and study of children's diseases



GROWS AT SEVENTY

At an age when many are seeking release, James H. McGraw, widely known business magazine publisher takes on new responsibilities. His firm has absorbed the House of Shaw, including the Magazine of Business



NATIVE SUGAR

More home-grown sugar, says E. A. Burguières, for his organization, the Domestic Sugar Producers Association. Twenty states, Hawaii and Porto Rico are represented; they are united to meet foreign competition



TOO MANY PEOPLE

From invention to prevention. Dr. Charles Francis Brush, noted Cleveland inventor (including arc light) gives \$500,000 to improve and curb output of human stock. He fears food shortage, and economic wars



ELASTIC ABILITY

Gen. Lincoln C. Andrews turns his thoughts from prohibition to production. He is head of the new Rubber Institute, where his activities will differ widely from those of chief of the prohibition unit



A GOOD SPENDER

His is a job of helping to spend \$200,000,000 for the next World's Fair at Chicago, 1933. Edward N. Hurley, formerly chairman, U. S. Shipping Board, says much of the work will be of permanent benefit to mankind

"It's What's Back of Us that Counts"

The gold piece, the dollar, the check and a few valued friends reason out the matter

By BERTON BRALEY

Illustrations by R. L. Lambdin

BUSINESS had been very brisk in the Foreign Exchange office, and in the hurry of supplying French, German, English and Italian money to departing travelers, who wanted to take advantage of the American rate of exchange, the clerk hadn't always had time to place his receipts in the proper compartments.

Then, too, he had received a little foreign money of various sorts in exchange for American, and a few of these foreign

This representative of the auriferous—my, ain't I educated—aristocracy has been living in a very, very exclusive milieu—that's another good one. He's a member of the highest monetary society, the Gold Reserve in the U. S. Treasury. You cawn't, you reahlay cawn't expect him to mix immediately with the common herd of tramps and hoboes like us that pass hither and yon and roundabout constantly."

"And as to being as good as he is," said



bills and coins had been tossed rather haphazardly on a table among an assemblage of U. S. currency.

So when the Double Eagle fell with a solid sort of clink on the table, he found himself in mixed company.

If you've ever noticed the eagle on a twenty-dollar gold piece, you have found that he looks just a bit sour and snobbish. And when he observed that he was plunked down amidst Italian lire and French francs and German marks, as well as dollar bills and bank notes, together with a certified check and an open check book, he looked sourer and more snobbish than ever.

Glancing around him with a cold and haughty eye, he saw a yellow-backed Gold Certificate for twenty dollars lying near him, and to this representative of his own value he dignified to express himself.

"Rawther a common place, this, isn't it?" he said. "I must say I'm not used to such, er—shall I say Bohemian associations."

"Say 'rough fellows' if you like," replied the yellow-back, "I'm not sensitive."

"Well, I am," said a Federal Reserve note. "I have to be because I respond to the expanding or contracting needs of business credit. And being a sensitive individual, I don't see why this hook-nosed yellow bird should patronize money that's just as good as he is."

"My good man, my good man," exclaimed a battered silver dollar that lay nearby, "although you're a Federal Reserve note, you know nothing of reserve.

the twenty-dollar certificate, "we none of us are, in a manner of speaking. He's legal tender for anything, most of the rest of us aren't. I am, because I double for him when he's in the vaults, but you silver certificates and Federal Reserve notes have your limitations. Legally there's a lots of things you can't pay for—customs, for instance."

"I beg your pardon," said the gold piece, warming a little, "but just what do you mean by saying you 'double' for me?"

"Simply that I represent you in business, most of the time," replied the twenty-dollar note. "I'm Uncle Sam's promise that any time I get old and worn from too much travel, or any time anybody wants you in his pocket instead of me, he can take me into the Treasury and get you, or one of your brethren, in exchange.

In other words *you're* twenty dollars. I'm good for twenty dollars because *you're* behind me, but by myself I'm not good for a cent."

"I see," said the Double Eagle, graciously. "It's very interesting, very interesting, indeed. I *am* value, *you're* a representative of value." He plumed his yellow feathers.

"What difference does it make as long as we can do the work?" the Federal Reserve note demanded. "I still say I'm just as good as he is for all practical purposes."

On Values After Fire

"**H**OW good would you be if you fell in the fire?" asked the silver dollar. "Answer, no good whatever. While if I fell in the stove I'd be worth around 46 cents as silver—and our aureate friend would be good, as gold, for pretty close to the twenty bucks that's cast on his face."

"If you're worth only 46 cents as silver," demanded the Federal Reserve note, "how come you can buy a dollar's worth of stuff with yourself?"

"For the same reason that you can pass for ten dollars," said the silver dollar, "because there's value behind me. In my case mostly silver bullion in the Treasury, in your case bank loans and

ver dollar, "people know they can turn you in at the Treasury any time and get silver, or gold or some other form of money that suits them better."

A dollar bill spoke up.

"If you," he said to the gold certificate, "double for his nibs, the Double Eagle, I double for Mr. Silverbuck over there."

"Right," agreed the gold note, "and you do a lot more doubling because you circulate faster. Anyhow, most people prefer you to Silverbuck for convenience."

"Not out west," said the silver dollar. "Out there they still prefer my merry jingle to him at his crispest."

"You can talk all you want to about gold value and silver value," said a National Bank Note, "but I'm backed by what I consider the solidest value there is—U. S. Bonds. Behind me in the vaults of the Treasury are Uncle Sam's promises to pay."

"*Mais oui*," chirped a chic hundred-franc note that crinkled coquettishly as the money-

clerk tossed her on the table, "zat is all verree well. But me, also I am ze promeese to pay ze hundred francs, or something like twenty dollaire. But sometime I am worth four dollaire, an' sometime I am worth but three dollaire. How are you explain zat?"

Backing Orders to Pay

"**I**T ALL depends on who promises to pay and how much he has to pay with, Mademoiselle," said the certified check, who became interested in the discussion as soon as he heard banks mentioned. "For instance, I am an order to pay. Only I am an order by John Smith to pay Henry Brown one hundred dollars. If that were all, I'd be worth just what John Smith is worth, one hundred dollars if John has that amount in the bank and doesn't draw it out before Henry Brown cashes me; and nothing at all if John Smith hasn't that amount of money."

"But in my case that isn't all. I'm certified. The bank tells Henry Brown and the world in general that John Smith *has* this hundred bucks in the bank and that the bank has reserved it for the purpose of meeting this check and no other. So I'm worth one hundred dollars—if the bank is. John Smith is out of it."

"Zat is very interes'," said the hundred-franc note, "but for why am I not worth ze twenty dollaire as promeese?"

Here the Federal Reserve note re-entered the conversation.

"Perhaps I can make

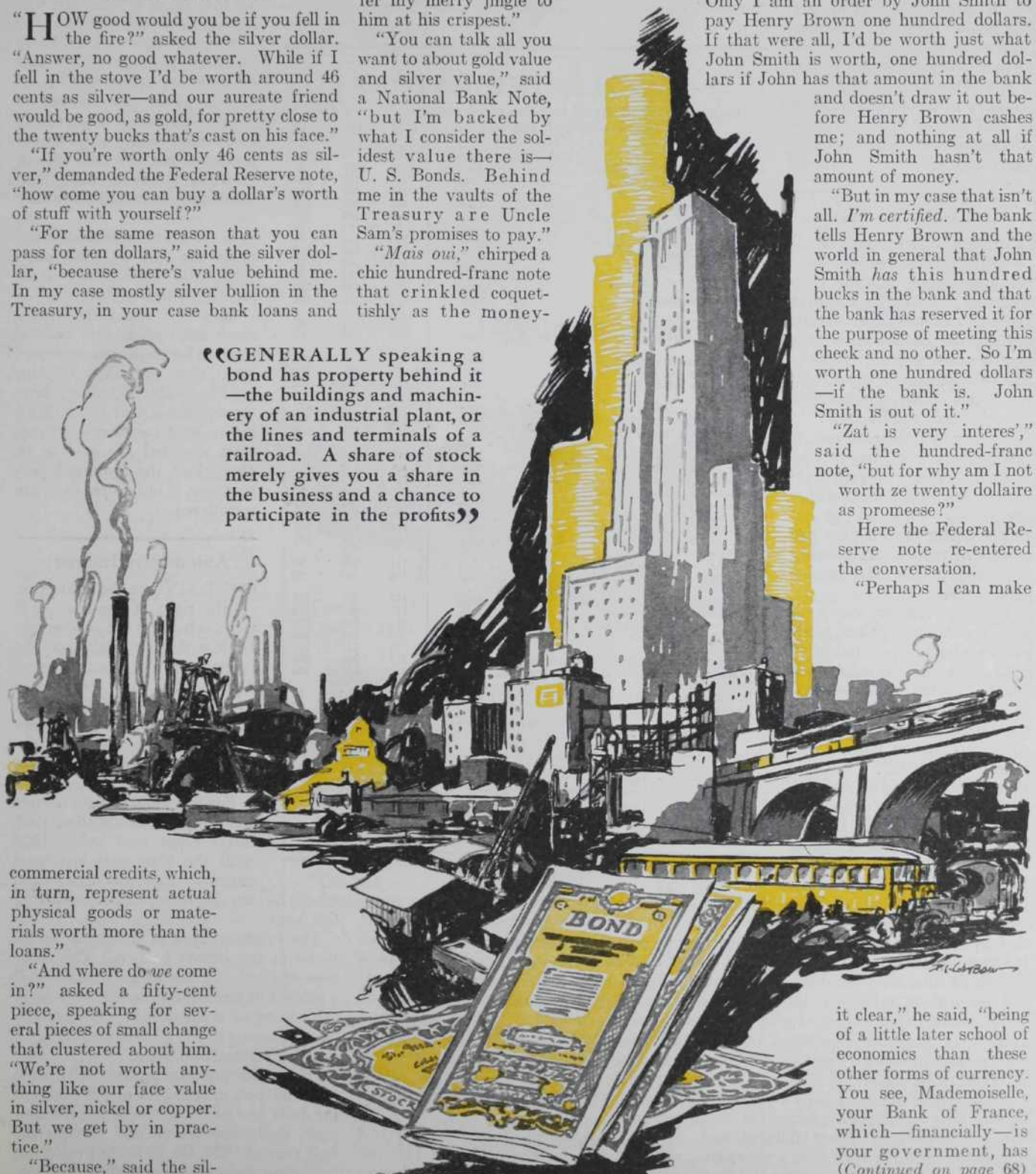
"**G**ENERALLY speaking a bond has property behind it—the buildings and machinery of an industrial plant, or the lines and terminals of a railroad. A share of stock merely gives you a share in the business and a chance to participate in the profits"

commercial credits, which, in turn, represent actual physical goods or materials worth more than the loans."

"And where do *we* come in?" asked a fifty-cent piece, speaking for several pieces of small change that clustered about him. "We're not worth anything like our face value in silver, nickel or copper. But we get by in practice."

"Because," said the sil-

it clear," he said, "being of a little later school of economics than these other forms of currency. You see, Mademoiselle, your Bank of France, which—financially—is your government, has (Continued on page 68)



The Map of the Nation's Business

By FRANK GREENE

Managing Editor, *Bradstreet's*

WITH the merging of an exceptionally wet spring into an old-fashioned hot summer, nature is now apparently doing its share to right the balance that seemed lost in the cold and wet days of April and May and the wet but not so cool days of June.

A more cheerful view is to be had independent of the fact that the reaction in trade and industry in the second quarter of 1927 automatically permits of comparisons favoring this year.

Crops—Retail Trade

TRADE distribution to all appearances presents a better appearance and the crop situation, aided by the fact that comparisons are with exceptionally low conditions a year ago in most, not all, crops, is full of promise to those who pin their faith to tangible gains in basic conditions.

With an abundance of moisture in the ground and forcing heat to drive the crops to maturity, Nature's Laboratory is confidently expected to do rather better than a year ago except in wheat and possibly in cotton, of the more important crops.

Pending clearer views of crop outturn and prices, trade and to a large extent industry, have trodden a careful path which has naturally resulted in a continuance of the odd contradictions shown for some time past in the various statistical barometers.

A review of June and the half year reveals several of these contradictions. Despite an attack of political mania affecting both parties, business picked up in June, stimulated by warmer weather and the vacation urge. Retail trade expanded over May and over June a year ago. Mail order business seemed to step out better as compared with May and June, 1927, than did chain-store sales, the latter not as usual leading in percentage of gain. These gains over May are significant because that month profited by getting some delayed April business.

Steel output exceeded June a year ago, as did also automobile production and sales. There were fewer failures and smaller liabilities in June than a year ago. For the half year failures were 1.3 per

cent ahead of 1927 while liabilities were 27 per cent below. Failures for 1928 were, however, the heaviest in numbers since 1922. Fire losses dropped very heavily to the lowest point since the World War in fact, which may be evidence of considerations of moral hazard

gained 24.4 per cent and 9.3 per cent respectively. The two combined gained 20.4 per cent in June and 13.1 per cent for six months.

The department stores gained two per cent for June whereas for five months this year the loss from a year ago was six-tenths of one per cent.

A year ago for the six months' period mail order sales were only four hundredths of one per cent better than 1926 and department store sales were only three-tenths of one per cent ahead. In other words in 1927, these two classes of distributors only broke even with 1926. This year for six months mail order gains are fair to good sized while the department store sales gain but slightly.

However, the large chain-store sales gains are said by some to be more apparent than real, due partially to this year's totals including more stores than a year ago. Gains by at least two large systems thus analyzed are said to be about half the apparent percentages, if old stores only are considered.

Automotive Industry

TURNING to the industries, the right of the line, as it were, is held by the automobile trade with May production the largest in any month since April, 1926, and the largest ever for May. The general impression is that June fully equaled May and was the largest on record for that month also.

For five months auto output was 3.3 per cent ahead of 1927 but 8.4 per cent below 1926 with the gain over last year entirely in passenger cars, trucks having decreased 12 per cent from last year.

The brightest spot in this trade seems to be in the export branch. The slowness of Ford to get into his stride is still a subject of remark but he is said to have a back log of unfilled orders of immense size. The cut in tire prices, averaging 10 per cent, stimulated sales.

Of the old time leading industries, steel ingot output with a gain of 6.6 per cent for June and of 3.9 per cent for the half year, easily comes first and exceeds the half year of 1926, the hitherto peak year, by three-tenths of one per cent. Pig iron,

BUSINESS INDICATORS

Latest month of 1928 and the same month of 1927 and 1926 compared with the same month of 1925

	Latest Month Available	Same Month 1925=100%		
		1928	1927	1926
Production and Mill Consumption				
Pig Iron.....	June	115	116	121
Steel Ingots.....	June	115	109	117
Copper—Mine (U. S.).....	May	104	101	104
Zinc—Primary.....	May	107	103	108
Coal—Bituminous.....	June*	97	99	113
Petroleum.....	June*	106	110	92
Electrical Energy.....	May	134	126	111
Cotton Consumption.....	May	103	118	98
Automobiles.....	June*	106	81	97
Rubber Tires.....	April	120	118	100
Cement—Portland.....	May	111	108	106
Construction				
Contracts Awarded (36 States) Dollar Values.....	June	115	113	97
Contracts Awarded (36 States) Square Feet.....	June	119	98	96
Labor				
Factory Employment (U. S.)—F. R. B.....	May	94	98	101
Factory Pay Roll (U. S.)—F. R. B.....	May	97	101	101
Wages—Per Capita (N. Y.).....	May	104	104	102
Transportation				
Freight Car Loadings.....	June*	101	104	107
Gross Operating Revenues.....	May*	104	106	106
Net Operating Income.....	May*	116	112	116
Trade—Domestic				
Bank Debts—New York City.....	June*	170	123	105
Bank Debts—Outside.....	June*	124	110	104
Business Failures—Number.....	June	112	105	98
Business Failures—Liabilities.....	June	76	94	80
Department Store Sales—F. R. B.....	May	107	102	107
Five and Ten Cent Store Sales—4 Chains.....	May	132	117	112
Mail Order House Sales—2 Houses.....	June	147	118	114
Wholesale Trade—F. R. B.....	May	99	98	101
Trade—Foreign				
Exports.....	May	114	106	96
Imports.....	May	108	106	98
Finance				
Stock Prices—20 Industrials.....	June	162	131	116
Stock Prices—20 Railroads.....	June	141	139	115
Number of Shares Traded In.....	June	214	161	130
Bond Prices—20 Bonds.....	June	104	104	102
Value of Bonds Sold.....	June	95	117	100
New Corporate Capital Issues (Domestic).....	June	315	264	134
Interest Rates—Commercial Paper, 4-6 months.....	June	122	106	100
Wholesale Prices				
U. S. Bureau of Labor Statistics.....	May	97	92	98
Bradstreet's.....	June	94	89	92
Dun's.....	June	100	95	95
Retail Purchasing Power, July, 1914=100.				
		May 1928	May 1927	May 1926
Purchasing Power of the Retail Dollar.....		62	61	60
Purchasing Power of the Clothing Dollar.....		58	58	57
Purchasing Power of the Food Dollar.....		65	64	62
Purchasing Power of the Rent Dollar.....		61	59	55

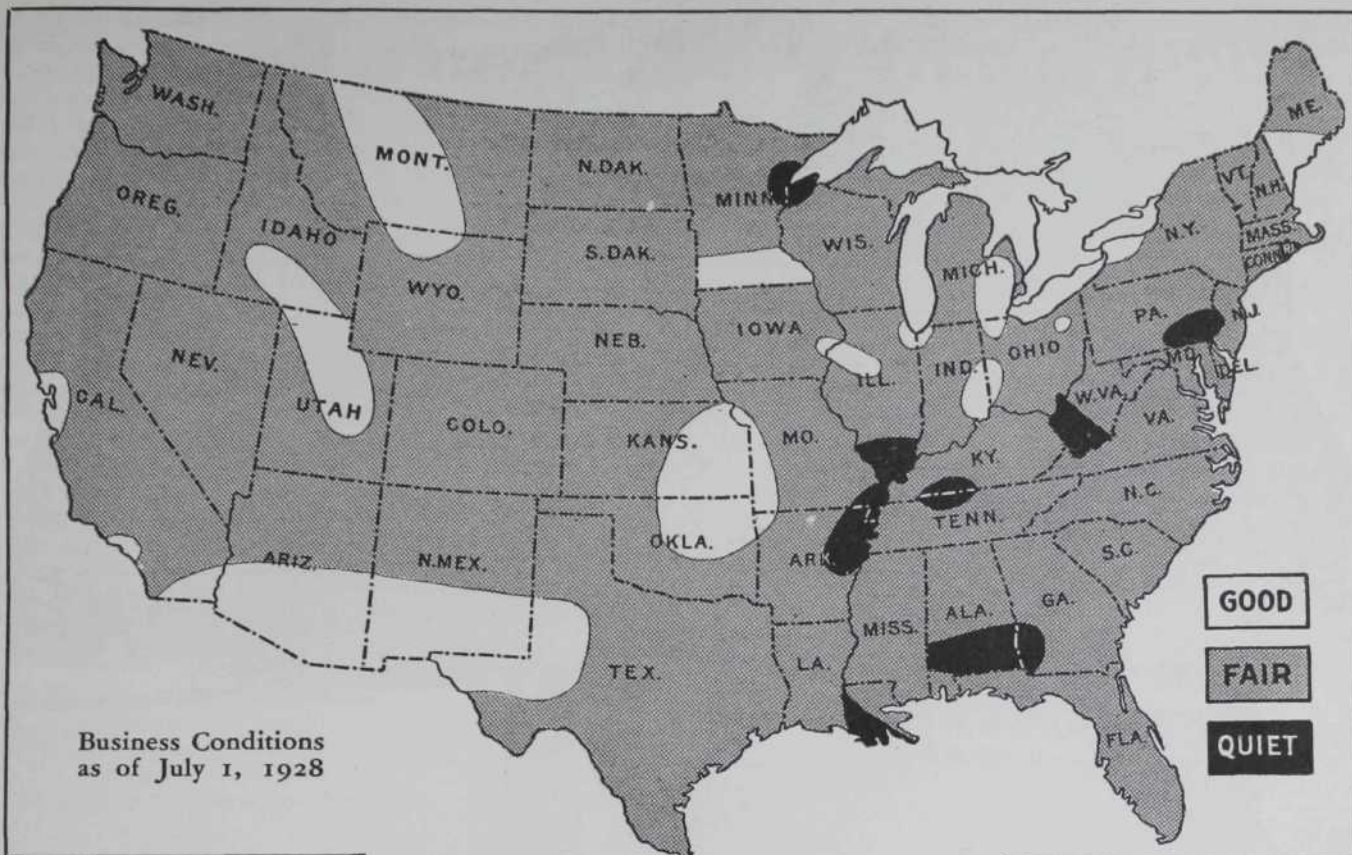
(*) Preliminary.

Prepared for *Nation's Business* by the Statistical Dept., Western Electric Co., Inc.

cutting a bigger figure than in other years.

In the stock market a third largest monthly total was registered, part of this at declining prices, but early July saw a rally in prices and averages then showed a really small net decline considering the advance in money. Bank clearings and debits showed enormous gains, as was to be expected in view of stock dealings being active, with the greater part of the increase scored at the chief speculative centers.

The chain stores in June gained 18.8 per cent and for the half year 14.8 per cent. The two leading mail order houses



on the other hand, lost a fifth of one per cent for June and 4.6 per cent for the half year from 1927, making the 1928 output the smallest since 1924.

Soft coal output for the half year is 16 per cent off from last year and anthracite coal 9.4 per cent less. Curtailment of soft lumber output, while helpful to prices, has naturally made for smaller production. Hard woods are not as well situated as soft woods either in price or production.

Electricity—Wheat

THAT heavy, even excessive rains, have their good points will probably be testified to by the producers of electricity and the growers of wheat in the southwest. May production of electricity gained 8 per cent over May, 1927, but what was also probably important to hydro-electric works, the percentage produced by water rose in that month to the peak of 45 per cent as against 41 per cent a year ago, also a month of liberal rainfall.

Evidence of the improvement in crops in June is found especially in the gain in the estimate of winter wheat, the outlook on July 1 indicating an increase of 32,000,000 bushels over June. Spring wheat indications have not greatly



A SLIGHT lightening of the color of the map of the nation's business is to be noted in the month of June and early July. For this copious rainfall earlier, and higher temperatures later stimulating to crops seem mainly responsible. Little change in manufacturing conditions is to be noted, but increased operations are noted in soft coal areas. The southwestern winter wheat region shows widening of the good area

changed because according to the government report of July 10 the prospect is for 62,000,000 bushels less than a year ago. The total wheat prospect with an 800,000,000 bushel total is for 73,000,000 bushels less than a year ago. Slightly less corn is indicated than a year ago which seems odd in view of the 8-point gain in condition and the 3.6 per cent gain in area. More oats, white potatoes, tobacco and barley, fruit, especially citrus sorts such as oranges and grapefruit, apples, peaches, pears and grapes are foreshadowed.

Cotton Prices

THE cotton price situation has shown some sharp extremes, advancing two cents in June to 23.10 cents against 17 cents a year ago, on rain damage reports and fears of boll weevil. The market broke on July 9 on the large gain, 11.4 per cent increase, in acreage planted to 46,695,000 acres in cultivation July 1 as against 41,905,000 acres in 1927 and the record area of 48,730,000 acres in 1926.

At the decline on July 9 cotton at 21.95 cents compares with 17.65 cents a year ago. Cotton-goods markets which rose in June with raw cotton tended to become unsettled as raw material declined.



The ingenuity of modern design in the use of materials is well illustrated in this business office, as conceived by Ralph T. Walker, architect of the American Telephone & Telegraph building in New York



HERBERT PHOTOS, N. Y.

This design for a modern butcher shop by Felice Casorati was executed in white plaster. The table discloses a bas relief showing "The Slaying of the Bull"

Modern Art Gives New Beauty to Utility

WHETHER or not art is the shadow of humanity, as Henry James eloquently contended, the substance of a more modern civilization was invitingly forecast in New York at the second international exposition of art in industrial design. During the two weeks that the five thousand exhibits were on view at Macy's the public had informative opportunity to measure the progress of art in giving new aspects of beauty to familiar articles in every day use.

Sponsored by an advisory committee representative of the leading exponents of modernistic art here and abroad, this exposition included products of the foremost designers and craftsmen in France, Germany, Italy, Austria, Sweden, and the United States. The enlightening internationalism of the display truly reflected the intelligent zeal of Miss Virginia Hamill, consultant in decorative art, in enlisting the cooperation of foreign and domestic designers.

An arcade of fifteen rooms, with galleries and show cases of distinctive conception, gave notable accent to the architectural

setting created by Lee Simonson, scenic designer of the Theatre Guild. Through the use of asbestos, cork, and synthetic fabrics for wall coverings, and the employment of nickel, brass, and copper for moldings he achieved a graceful emphasis strikingly appropriate to the dominant motifs of the exhibit.

In addition to furniture executed in a spirit interpretive of the modern scene, the exposition revealed the availability of a wide range of decorative accessories, including silverware, jewelry, rugs, glassware, pottery, metal ware and textiles. To the trained eye national characteristics were readily apparent. The French genius for accenting the luxuries of life was as palpable as the German recognition of artistic possibilities of the machine age. An agreeable facility in projecting classicism into modern forms directs identification of Italian art in any setting, and no less marked is Austria's imaginative treatment of the smaller decorative pieces. Sweden's adaptation of her traditional art to an expression by means of glass and metals is decisively nationalistic. From the exhibits contributed by American designers it is fair to conclude that a new style is in process of development to serve a new civilization.

For the man of affairs, interest is likely

to center in the modern business office designed by Ralph T. Walker, who has been appointed architect to the world's fair to be held at Chicago in 1930, and the study designed by Prof. Bruno Paul of Germany for the director of the German State Railways.

The use of mirrors for walls, floors, and ceilings gave interesting novelty to some of the foreign exhibits, notably the "powder room" by Prof. Josef Hoffman of Vienna. Color was everywhere. It invited the eye to walls, to furniture, and to furnishings. It was revealed in enamels of rare beauty, and it gave a new importance to bath tubs and to plumbing fixtures. With "beauty in utility" the

keynote of the exposition, it was to be expected that household appliances would disclose a considerable progress in design and finish.

As defined by Edwin R. Librell, executive vice president of Macy's, the purpose of these annual expositions "is to encourage further interest on the part of the American public and American designers in modern art as applied to industrial design."

Certainly the time and talent so generously contributed by the exhibitors, and the visible evidence of public attention to their works argue a heartening responsiveness to the purpose so hopefully avowed.—R. C. W.

Bruno Paul's arrangement for a man's study accents the comfort and convenience of low furniture. A notable achievement of luxuriousness is obvious in the execution of this design



A desk sofa with table ends is a distinguishing piece of furniture in this modern American living room designed by Eugene Schoen of New York. The metal fireplace and the piano emphasize the modernistic treatment

HERBERT PHOTOS, N. Y.

Hershey, Penn., was planned in 1903 by M. S. Hershey. He reared the town on sweet milk chocolate. The town has no politics, for the Hershey Chocolate Company runs it



Tailor-made Towns

By RAYMOND WILLOUGHBY

IT IS commonly observed that the increasing concentration of trade and population in great cities has produced difficult problems in the efficient conduct of business and the economical administration of government. And it is just as clear that every effort to reconstruct these crowded centers toward social betterment is hampered by high land values and the improvements serving at the time. Established conditions perversely resist the good intentions that would reshape them to a newer and more workable mould.

Solution of these problems is more promising in communities made to order, in selected areas where land is cheap, where taxes will be low, where elbow room is spacious, where provision can be made for industry, for business, and for homes, where reservations can be made for recreation, where self-helpfulness can have its broadest scope and its most visible reward, where community distances are short and where transportation is without pressure.

These considerations signify the operation of powerful centrifugal forces that impel the establishment of individual communities beyond the rim of metropolitan areas.

This movement from the hub to the

MOST cities have just grown up. Today's traffic, skyscrapers, apartments are forcing these cities to remake themselves. How would the city differ if it were planned in advance? Mr. Willoughby tells here of some of the cities which have been made to order

suburbs first became apparent back in the eighties.

Pullman in Illinois, Homestead in Pennsylvania, and South Omaha in Nebraska were typical of the towns that gave illuminating substance to the trend. To the popular mind these distinctive projects seemed monuments to the nation's surging industrialism. Imagination saw them as the thriving creatures of America's constructive genius. So compelling was that belief that South Omaha was dubbed "the magic city."

These pioneer experiments in building towns to fit the needs of an industry and its workers provided inviting object lessons in housing specialized groups. Big business began to cast its eyes toward the country when seeking sites for large-scale production. It found many persuasive arguments to direct location in rural

areas, and, where its divining rod marked potential prosperity, have risen thriving towns, cut to a pre-conceived pattern and made to measure.

Perhaps the most conspicuous example of this community synthesis is Gary, Indiana. Twenty-five years ago the site of this town that steel built was only a "dismaying solitude." Proximity to the ore of the north and to the southern coal fields determined its location on the lake shore. Hardly

had this infant prodigy got used to its name when the United States Steel Corporation began a new development on the edge of Birmingham. Fairfield, Alabama, first christened "Corey," is the evidence of that enterprise. Near Duluth another steel town was put together to function as a producing center and as a civic organism.

Self-contained as many of the new towns were planned to be, it is readily apparent that dynamic influences operated to relate them to great cities—the requirements of higher education, varied amusement, accessibility to a labor market, and to freight terminals and to switching yards have ruled that the fortunes of some of the made-to-order towns should be linked with older cities.

Like the great planets, virtually every metropolis can point with pride to its

satellite communities, and so strong has been the bond in some localities that the expanding city has reached out and adopted the child in its path of progress.

Cities Absorb Suburbs

PULLMAN, the car shop town, and Hawthorne, home of a great electric works, have been so absorbed by Chicago, and Ivorydale, the soap making center, has been embraced by the advancing environs of Cincinnati. But even though the tentacles of the cities continue to achieve annexation and absorption of outlying suburbs, identity with a specific industry is robustly maintained by some of the specialty towns in the shadow of greater towns. Eddystone, near Philadelphia, is known for its huge locomotive works, and Argo, on the fringe of Chicago, holds its fame as "the glucose city."

Before Gary took form on the drafting board, two other steel towns, Vandergrift and Ambridge, near Pittsburgh, had shown the worth of plan and purpose in community building. Projected to provide wholesome living conditions for the employes of the American Sheet & Tin Plate Company, Vandergrift presented a visible exemplification of Herbert Spencer's belief that social evolution can achieve a coordination of the interests of the individual citizen and of all citizens.

A street layout keyed to the winding Kiskiminetas river, and a remarkable freedom from monotony of dwelling design were the happy preventives against an appearance of centralized ownership. Workmen's committees established the building lines, and civic affairs were guided by citizens through their elected officers. Although the steel company had provided the resources to begin the town, it intervened in no community problems, nor would it identify itself with any business serving its employes.

Put to the test of governing themselves, the workers justified a new measure of faith in the capacity of the individual for self help. The success of the experiment at Vandergrift gave a directing vitality to the recognition that self-help, rather than paternalistic benevolence should be the keystone of industrial village life.

Ambridge gave its own illumination to this principle, and though the American Bridge Company got into the real estate business, it did so through fear that the cupidity of land owners would

result in a haphazard growth around the plant. Public improvements and regulations were put in the hands of the citizen.

But it was in the building of Gary that the industrial village came to its full stature. South of the Calumet river, in the midst of picturesque sand dunes, the town site included 10,000 acres with a frontage of 7 miles on Lake Michigan. Gary was cast in a large mould. The United States Steel Corporation was determined to scale the plan of the new town to the large-scale operations of its mills. Prodiges were performed to give this town life and character.

To get drinking water it was necessary to construct a deep intake in Lake Michigan and to pipe the water three miles. Three railroad lines, extending eastward from Chicago, 26 miles away, were relocated, the job requiring the movement of 51 miles of track. Grading required the handling of 1,500,000 cubic yards of earth.

About two miles of the river channel

were straightened to expedite the shipment of ore and coal. Building lots were offered for sale under the requirement that dwellings of approved character would be erected within eighteen months after the date of the purchase agreement—a provision that prevented speculators from getting control of the development. The wisdom of that basic policy is attested in the solidity and soundness of the Gary of today, for it is essentially a city of home owners.

City of Megalomania

CONCEIVED as the promising solution of the problem of housing thousands of steel workers, Gary's growth is symbolic of America's civic and industrial vigor. Even a casual appraisal of its activities can scarcely escape a touch of megalomania—"the largest steel works, the largest tin mills, the largest rail mills, the largest cement plant," and along with all these industrial magnitudes sparkles the bright fame of Gary's fine school system.

Its "study-play-work" plan was a distinct novelty in its purpose to make all-year use of the school facilities toward the broadest development of the mental, physical, and vocational capabilities of the pupils.

It is an enduring compliment to the business judgment of the founders that the little town originally focussed on the black bulk of blast furnaces and rolling mills should spread beyond their vision. Time and experience have suggested

amendments to expansion and improvement, and the citizens have been alert to preserve the harmony of the original project.

In 1919 the city appointed a planning commission, and in 1924 the Commercial Club began a successful campaign for a monumental railway and gateway development. In a much larger sense, all of Gary stands as a spectacular accent on America's industrial progress.

There is a literal assurance of business foresight and idealism in the very name of Longview, Washington. Built in 1922 on the site of the earlier village of Monticello near the junction of the Columbia and Cowlitz rivers, this made-to-measure lumber town was planned to accommodate the thousands of workers employed in the Long-Bell Company's operations on a huge timber tract.

Exploitation and irregular growth have
(Continued on page 46)



Gary, Ind., was located for its position in relation to ore, coal and labor. It was designed as a setting for gigantic steel works, but the design included homes for employes, and stores and utilities to serve them and make a successful town. Longview, Wash., below, was planned to handle traffic. Jefferson Square shows the care used in beautifying the town





III. Unrecorded Moments in the History of Business

HISTORIANS are not in agreement as to the date of the first convention. The bulk of the evidence is in favor of this gathering of the horse-collar manufacturers, June 17, 1882. The artist shows President Beaverstock giving the opening address. These pioneers little dreamed that within twenty years conventions would fill to overflowing the huge auditoriums of the country, and that badge making would become the sixth largest industry

"Samuel Gompers was the world's strongest single factor opposed to socialism," says John Hays Hammond. "I shudder to think what might have happened during the war and afterward if some such character as 'Big Bill' Haywood had displaced him fifteen years ago"



*To the most constructive, practical-
radically democratic millionaire
I ever met, John Hays Hammond
With the Compliments of
April 10, 1911. Sam Gompers.*

Outstanding Men I've Met

By JOHN HAYS HAMMOND

As told to William A. Du Puy

In the July NATION'S BUSINESS John Hays Hammond told of his personal friendships with famous persons whose pictures hang on his study walls. More of these reminiscences are reported here.

RIDER HAGGARD here is an interesting personage in my picture gallery. I had known him in England and my trail had strangely crossed his in South Africa where I had helped to solve the riddle of the location of King Solomon's mines, which he had previously placed by literary inspiration. We met again in San Francisco when I was traveling in a private car as consulting engineer inspecting the mining properties owned by the Gugenheims.

"He rode east with me. When we had been out for a day or so he told us that he had missed one thing in America which he much regretted. He had not met an

PART TWO

American hobo. Whereupon my son Harris spoke up and suggested a remedy. There was a very real hobo, he said, riding on the trucks under our own car. Harris had been feeding him at the stops.

"At the next station Harris brought the tramp in, begrimed with alkali dust, ragged, unshaven and unshorn. I introduced him to 'Mr. Haggard, Mr. Rider Haggard.'

"Not Rider Haggard, the novelist!" said the hobo. 'Not the author of *Alan Quatermain*, *She*, and *Montezuma's Daughter*! I have read every book you have written, sir, many of them three or four times.'

"As a matter of fact this hobo was a well-bred, educated man who had drifted into this wandering life. We invited him to dinner and he did us the honor. He

told us of tramp life, but said he was tired of it, wanted to quit. I replied that I did not believe he would settle down but, if he thought so, I would give him a chance. I gave him the money with which to buy clothes, a ticket to Salt Lake City, and a letter of introduction to the manager of the Utah Copper Company, for which I was consulting engineer.

"Of course I knew that this was a typical underworld story of a desire to reform and that the chances were that I was merely out the cash and trouble. Haggard, who was more trusting and sanguine, enjoyed the experience hugely.

"A year later when I was in Salt Lake City on business a well-appearing, middle-aged man came to see me. I did not recognize him, but he introduced himself as 'the hobo.' He said that he was pursuing the even road of conventional employment. I was able to report to Haggard that our venture into uplift had been



"Czar Nicolas autographed his picture and sent it to me after I had advised him freely and frankly how to run his Government"

connected. The hangers-on who did the grafting came to understand. Later when I represented the Guggenheims in Mexico we used to have trouble with lesser officials, governors of states, and such. I would visit Diaz and our troubles would disappear. In the end it was but necessary to announce my intention to make a trip to the capital to get our way.

"I was with President Taft in 1909 when he made his trip through the West, an incident of which was the meeting of his brother president from the south on the International Bridge at El Paso. I spent that day with Diaz rather than Taft. It was but a year or two before his overthrow, and he was growing old. He told me that he would like to retire, that he did not have his former grip on the job, that disloyal subordinates were knifing him. He would like a bit of quiet, ease, travel, in the sunset of his life. But

he could not find a firm hand for the helm.

"Not long afterward he was overthrown. It was found, however, that he was a comparatively poor man. If there had been corruption, Diaz had not profited by it. If fortunes had been paid for concessions, he had got none of them. He

had given Mexico the only decades of stability she had ever known. If his had been a heavy hand, where under similar circumstances had the velvet glove brought about comparable results?

"Diaz was one of the strong men of the world for the generation in which he lived.

The Czar Was Human

"IT WAS in 1910 that I went back to Russia and had an experience of which a result was that Czar Nicolas autographed his picture for me and sent it to Washington through diplomatic channels, where it was presented with due ambassadorial formality. This followed a long talk I had with him in St. Petersburg in which I had advised him freely and frankly as to how to run his Government.

"I had at that time been asked by the Russian Government to make a survey and report on the needs of that great country. When it was nearly finished, I went somewhat hesitatingly to see the Czar, dressed in evening clothes at four o'clock in the afternoon. The mighty ruler, slim, sensitive, aesthetic, intelligent, clad in a Cossack fatigue uniform, shook hands with me a good deal as it is done back home and addressed me in quite perfect English.

"I asked him if he would like me to speak plainly on the needs of Russia. He said he would. I asked him if he knew of the existence of the Ananias Club in America, which he immediately ascribed laughingly to President Roosevelt. I suggested that he might nominate me for such a club in Russia if I ever quoted him to his dissatisfaction.

"The Czar asked me why the United States favored Japan in the Russo-Japanese war. I told him that the feeling in America against Russia was because of the persecution of the Jews, because Japan was the under dog and because of a feeling that Siberia was being exploited. I advised him, in the interest of pleasant outside relations to find a way of living happily with his Jewish population. I spoke freely on the possibilities of furthering the development of Russia.

"Primarily, I said, America was the nation to help. She had developed similar great open spaces. She knew about farms, forests and mines. There was the matter of wheat, for instance. Probably the greatest immediate need of Russia was elevators to hold her wheat, which was now rotting in her fields.

"America knew how to put up elevators and American capital would



"I even wore President Diaz' old hat when it rained. Don Porfirio Diaz, an Oaxaca Indian, was a four-square gentleman"

successful. Haggard was delighted in this.

"Here is a sturdy, four-square gentleman, an Oaxaca Indian, Don Porfirio Diaz, for 30 years president of Mexico. After returning from Africa, in 1900 I went to Mexico where I was consulting engineer for English interests that were working the El Oro mines, the richest gold properties in the republic.

"John Hay, then secretary of state, gave me a letter to President Diaz in which he perjured himself rather recklessly in praising me. That did much toward establishing me. Then Diaz asked me what he could do for me and I answered 'nothing,' which, being unusual, impressed him. It came about that I met him at the Chapultepec Palace and the National Palace in the City and we became good friends.

Protected by Diaz

"I EVEN wore the president's old hat when it rained. He had forced it upon me one day when the weather grew bad while I was calling in a new silk tile. He gave me valuable advice on how to get on in Mexico. 'Pay no bribes,' he said. 'They never reach the higher-ups in whose names they are collected. Tell me when you are blocked.'

"English capital which I represented bought the horse car street railway system of Mexico City. We set about electrifying it. Immediately we encountered franchise grabbers, threats of competition from parallel lines. We knew that these people were merely trying to force us to buy them out. I told Diaz and all interference disappeared.

"This happened with relation to a number of enterprises with which I was

for Economical Transportation



Announcing the New UTILITY TRUCK

In this sensational new haulage unit, Chevrolet presents the world's lowest priced truck with four-speed transmission and four-wheel brakes. Not only does it incorporate all the basic features which have made Chevrolet the world's most popular truck, but it also embodies other important advancements in design which make it ideally adapted to the modern conditions

of business transportation,—such as full ball bearing steering mechanism, front shock absorber semi-elliptic springs, air-bound seat cushions and heavy channel front bumper. Your Chevrolet dealer will gladly arrange a trial-load demonstration of this remarkable new truck which is available in body-types for every line of business. Communicate with him today.

CHEVROLET MOTOR COMPANY, DETROIT, MICHIGAN
Division of General Motors Corporation

The New
UTILITY
TRUCK

\$520

f.o.b. Flint, Mich.



4 Speeds Forward 4 Wheel Brakes

finance the enterprise. Americans were manufacturers of the sort of farm machinery Russia needed. Americans were masters of problems of refrigeration which have such possibilities in Russia. They were the world's best railroad builders, its most knowing miners, best providers of port facilities.

"The Czar seemed to accept all I said. In fact he definitely endorsed my plans and wished me success in executing them. We parted with the utmost cordiality. M. Sazanoff, minister of foreign affairs, told me he had found the Czar enthusiastic over the American who had talked to him as 'man to man.'

"Ambassador Rockwell reported to the State Department that my efforts were being enthusiastically received and promised 'to prove of great value to the future relations of the two countries.'

Controversy Upset Plans

"THIS service to Russia was to have been my crowning accomplishment in the development of the resources of foreign lands. Imagine then my disappointment when I arrived in New York and found the United States embodied in a passport controversy bearing on the very Jewish question which I had discussed with the Czar—a controversy which was so severe as to threaten the abrogation of our trade agreements with Russia. This incident upset a rapidly ripening undertaking that would have placed Russian development and modernization quite completely in the hands of Americans."

The picture of the Czar of Russia does not hang in Mr. Hammond's study. It is down stairs in a drawingroom where are assembled autographed photographs of much of the royalty of this generation. A reception was given at Mr. Hammond's house last year in honor of the Crown Prince of Sweden. That upstanding young man was much impressed with the photographs.

He asked Mr. Hammond if it would be possible for him to break into the charmed circle. His host replied that he would be glad to place him in the royal group down stairs. The Crown Prince replied that he would much prefer the study if his accomplishments could be considered such as to admit him. And there he hangs today at the top of a row of the enterprising spirits of the generation.

"When Samuel Gompers, for a generation head of the American Federation of Labor, gave me his picture, he scrawled across the foot of it a tribute of which I am very proud. It reads: 'To the most constructive, practical, radi-

cally democratic millionaire I ever met.'

"I had known Gompers for a long time before the war. We had worked together as members of the board of the National Civic Federation. I had always supported Gompers in his contention that labor had a right to bargain collectively. Our relationship was therefore both intimate and friendly.

"It was because of this that I was able to render what I think was a real service at a trying time. Early in the war I rode by appointment one day from Washington to New York with Gompers. All the talk at that time was of preparedness. Gompers was against it.

"The worker did the dying in time of war, he said, and the capitalist made the money. I argued that rich and poor were alike in duty to country, would be similarly humiliated if the country were taken unaware, would prosper if it showed strength and suffer if it were humbled and beaten. By the time we had reached New York, I had converted Gompers to preparedness and he afterward marshaled labor to the emergency.

"There are two potent ideas current in the United States today but not appre-



*To John Hay's Hammond
with gratitude for all his
kindness in a private way
Everywhere, from
19 April, 1905 H. Rider Haggard*

"Sir H. Rider Haggard, who placed 'King Solomon's Mines' by literary inspiration, was curious to see an American tramp"

ciated elsewhere, ideas that have much to do with her dominant prosperity—for which Gompers is largely responsible. The first of these is the belief on the part of labor that it pays to produce, that the more wealth created the more there will be to divide.

"Then there is the companion idea that it is to the advantage of the employer to pay high wages and through them to convert those who work into a consuming public that will provide a boundless home market for the products of industry.

"Gompers, I used to say, was the world's strongest single factor opposed to socialism. I shudder to think of what might have happened during the war and afterward if some such character as 'Big Bill' Haywood had displaced Gompers fifteen years ago. And if it had not been Gompers it would inevitably have been Haywood.

Gave Doumergue Tip

"IN 1926 I was in Paris and went to call on President Gaston Doumergue. I had no reason to suspect that he would know anything about me and was consequently somewhat surprised at the warmth of the reception he gave me. This he later explained.

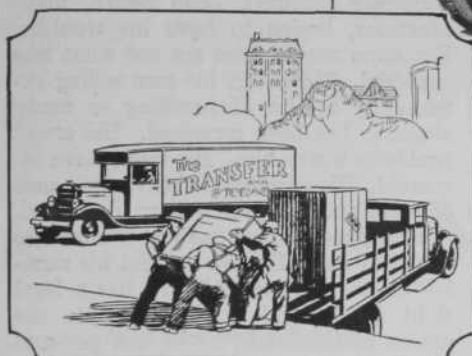
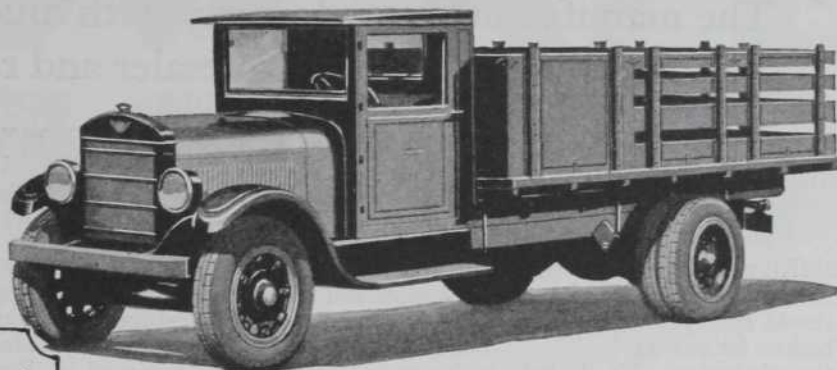
"He had been a youngster interested in finance upon the occasion of a visit of mine to Paris in 1896. I was at that time with Rhodes financing deep level mining in South Africa.

"President Doumergue had taken my advice in investments and his profits had been handsome. Because of them he remembered our former contact, which was then just 30 years in the past. That memory served me as a happy introduction."



*To John Hay's Hammond
with the cordial regards of
John Hay*

"John Hay, then secretary of state, gave me a letter to President Diaz, perjuring himself rather recklessly in praising me"



Just Around the Corner— A New Viewpoint In Transportation!

AS near to you as your nearest Reo dealer is a demonstration of commercial vehicle performance so exceptional that it has set all the country to buying Speed Wagons.

Fleet owners everywhere are now turning to Reo in numbers never known before.

The reason for this response is the Greater Mileage Output that all of the new Speed Wagons achieve through a multitude of improvements far in advance of the times. For the new Speed Wagons are built to cope with the changed conditions of traffic and competition that have rendered old trucks—and many new ones—obsolete.

Surprisingly enough, Speed Wagons with all their improvements, are sold at new low prices—and there are *thirteen* wheelbase models to choose from. Try out a new Speed Wagon—start it, step on it, stop it, park it. Then you'll have the story.

NEW wheelbases—*thirteen* of them, ranging from 115 to 175 inches—capacities from $\frac{1}{2}$ to 3 tons—a standard model to fit your special job!

NEW 4-wheel brakes—hydraulic, not mechanical—two-shoe internal expanding, not external contracting. Always in adjustment, protected against dirt and moisture, working equally well in reverse as in going forward.

REO MOTOR CAR COMPANY, Lansing, Michigan

JUNIOR—Capacity $\frac{1}{2}$ ton
Chassis, \$895

TONNER—Capacity 1 ton
123-in. wheelbase,
Chassis \$995
138-in. wheelbase,
Chassis \$1075

SENIOR—Capacity 3 tons
175-in. wheelbase,
Chassis \$2090

STANDARD—Capacity
 $1\frac{1}{2}$ tons

133-in. wheelbase,
Chassis \$1245
148-in. wheelbase,
Chassis \$1345

GENERAL UTILITY
Capacity $1\frac{1}{2}$ tons
143-in. wheelbase,
Chassis \$1345

Chassis prices at Lansing

HEAVY DUTY

Capacity 3 tons
159-in. wheelbase,
Chassis \$1985
130-in. wheelbase,
(Dump) \$1935

MASTER—Capacity 2 tons
148-in. wheelbase,
Chassis \$1545
164-in. wheelbase,
Chassis \$1645

SPEED WAGON

Powered with 6-Cylinder Motors

Which Road to the Consumer?

The manufacturer can do away with much waste by working with the wholesaler and retailer

By G. BARRET MOXLEY

President, Kiefer-Stewart Company, Wholesale Druggists, Indianapolis

A FARMER needn't put all his eggs in one basket, but neither should he try to use twelve baskets for one egg.

So with the wholesalers. We do not expect to cover the world for the manufacturer, but we do argue for more careful selection of distributive outlets through the wholesaler. An adequate number is more efficient than an excessive number with its conflicts and waste.

Just what is a wholesaler? The question was frequently asked at the conference of wholesalers called to Washington by the Domestic Distribution Department of the National Chamber, the first meeting of its kind ever held.

The modern wholesaler is, in fact, a glorified warehouse accepting full responsibility to both manufacturer and retailer. With his capital and storage of stock he averages production for the manufacturer, relieves him of selling and credit detail and he functions equally well in simplifying buying and financing for the retailer.

A good wholesaler lives wholly out of the economies he effects for others. Manufacturers employing him are not altruists nor prompted in their choice through philanthropic motives. Rare indeed are complaints of his functioning by those manufacturers who show intelligent discrimination in the selection of their wholesale distributors.

More and More Sales

JOHAN SMITH, successful manufacturer of a nationally known item, who has complete distribution through an intelligently selected lot of wholesalers, may have experienced a continuous gain in sales through the past years, and still he is not satisfied. He calls in his sales manager, who roars out something like this:

"To hell with those select-ded distributors of yours. I have told you for years if you are to build this business you ought to get general wholesale distribution. The

idea of trying to cover the United States of America and of trying to serve 115,000,000 people through 200 distributors! You might as well try to lick an army with a muzzle loader. What you need is not 200 distributors but two thousand."

Many But Weak Sellers

IF JOHN SMITH, manufacturer, falls for this line of chatter the chances are a hundred to one that his once respected merchandise will become an orphan in the marts of trade. Instead of having 200 interested and efficient sales friends who profit by selling his merchandise he will soon have two thousand mere acquaintances, who will learn that competition in selling his merchandise is so unprofitable that attempted sales are not worth the effort. He will find former distributors pushing competing lines where wholesale distribution not being so commonplace offers opportunity for profit.

Well, what happens then? After the

first rush of orders that resulted from stocking more than ten times as many wholesale accounts, John Smith, manufacturer, begins to have his troubles. For some reason sales are not what was expected. Moreover, his own selling expense by reason of handling so many accounts has been increased. His credit problems worry him. His losses have increased. His overhead is heavier per unit of sales and his profits have decreased.

This manufacturer has just two courses ahead of him. He can restrict his number of distributors which he has a legal right to do, and crawl back into the graces of the trade, or he can perform another experiment. He calls in his sales manager again, and discusses his problems.

"Well," says the sales manager, "I never was much of a hand at depending on someone else for success. Why not ditch this system of distribution entirely and establish our own sales force? Let's put out some crews and sell this stuff direct. Let's grant jobbing discounts on shipping quantity to any who will buy regardless of their plan of selling—let the wholesaler fall in line for small unit orders."

High Pressure Costly

SO THEY decide to try that. They "high pressure" the trade to get real distribution. They forget that high pressure breeds contempt. Its mother is Grief, and its father is a Very Expensive Daddy. Distribution costs jump from 15 to 20 per cent to from 40 to 50 per cent. But this method does bring in the volume for a time. Then things begin to happen. This once respected piece of merchandise is hawked about. It is used as "specials," as bait—prices are cut, dealers' profits vanish.

As a result of high pressure salesmanship there are many misunderstandings between salesman and retailer who frequently feels he has been bilked and becomes indifferent to the product, if not

(Continued on page 60)



THOSE who use high-pressure salesmanship to get distribution forget that it breeds contempt. Its mother is Grief and its father is a Very Expensive Daddy

NOW ALL SIXES

DODGE BROTHERS, INC. ANNOUNCES FOR
ITS GRAHAM BROTHERS TRUCK LINE

6 Cylinder Engines

IN ALL SIZES AND TYPES

4 Wheel Brakes

ON ALL SIZES AND TYPES

ECONOMY
as always

LOW PRICES
as always

DEPENDABILITY
as always

\$665

MERCHANTS EXPRESS
110" wheelbase

\$775

COMMERCIAL TRUCK
120" wheelbase

\$995

1 1/4 TON—130" wheelbase

\$1065

1 1/4 TON—140" wheelbase

\$1345

1 3/4 TON—150" wheelbase

\$1415

1 3/4 TON—165" wheelbase

\$1595

2 1/2 TON—150" wheelbase

\$1665

2 1/2 TON—165" wheelbase

Chassis f.o.b. Detroit

YOU may now have all the performance advantages of 6-cylinder engine and 4-wheel brakes on any size or type of Graham Brothers Trucks.

Six cylinder power . . . Six cylinder speed . . . Six cylinder operating ease . . . The snap of 6-cylinder acceleration and the safety of 4-wheel brake deceleration . . . Four speed transmission on all 1 1/4,

1 3/4 and 2 1/2-ton models. See these trucks today. Let your local Dodge Brothers Dealer tell you of the many additional advanced features. We have the exact size and type for your business. Drive one. Compare them—for price, for value, for appearance, for their ability to do your job and make you money—with any truck you ever considered good value.

Graham Brothers Trucks are built in the chassis sizes that meet 95% of all hauling needs

GRAHAM BROTHERS TRUCKS

BUILT BY
TRUCK DIVISION OF
DODGE BROTHERS INC.

SOLD AND SERVICED
BY DODGE BROTHERS
DEALERS EVERYWHERE

When buying a GRAHAM BROTHERS TRUCK please mention Nation's Business

I Have Hay for Sale

By FRED C. KELLY

Cartoons by W. J. Enright



"I went at the problem scientifically and looked up charts showing when hay prices were most likely to reach a peak"

EDITOR, Nation's Business,
It has been called to my attention that your publication deals with business affairs, and I presume that you may wish to know the facts at first hand about a quantity of hay that I have talked of selling.

I am primarily a business man but several years ago I bought me a farm, and ever since then my neighbors have been laughing behind cupped hands over my antics in trying to make the place pay. But last summer my meadows yielded so much hay that it began to look as if it would soon be my turn to chuckle.

The only problem was to get my vast store of hay into the barn before the next rain. In previous seasons I had learned that wet hay is seldom popular. Luckily, the gods played right into my hands.

I couldn't have had any better haying conditions if the weather man had been my brother. As other farmers were hauling hay to their barns at the same time, there was momentary danger of a labor shortage, but by paying a trifle more than the prevailing scale, I had no trouble in attracting enough men to carry my hay triumphantly to the mow. The hay appeared to have been cut at exactly the right time and was in such excellent con-

dition that, barring unforeseen acts of Providence, I was in a strategic position.

Many farmers might have sold their hay at once, but I was too smart to do that. I knew that a few months later much of the total hay supply in the world would have been used up, with no chance of increasing the supply until the following summer. I even went at the problem scientifically and looked up charts showing the date, almost the exact moment, when hay prices, on the average, over a period of years, were most likely to reach a peak.

Hay Prices at Peak

IT SO happened that along in February, I received a little notice from the bank, reminding me that one of my farm mortgages would soon be falling due. I read the notice with considerable amusement, knowing that I should soon have plenty of money because the hour was approaching when I should sell my hay. Indeed, I then and there sought a morning paper from the nearest large city and consulted the market page for the latest quotation on timothy hay. Ah ha-a! There were the figures—\$19.75 a ton!

About all that remained to be done was to determine which hay-buyer I should deal with. I had a list of several such

persons in nearby towns, and it was with a glow of pleasure that I went to the phone to notify one of them of the good news, viz., that hay of excellent quality might now be his.

"I'm not buying any more hay," said Hay Buyer No. 1, when I finally reached him—and he told me this in a tone which suggested that the whole subject of hay bored him almost beyond words. I got the impression that he didn't care much if he never saw hay again.

I then got in touch with Hay Buyer No. 2 on my gilt-edged list.

"Oh, gosh," said he, frankly, "I haven't bought a ton of hay since I don't know when—at least two or three months ago."

"Aren't people going in much for hay any more?" I inquired.

"Oh, they're using hay, of course," he replied, "but them that needs it has mostly already got it."

I went through my whole list without arousing the slightest interest. It seemed that everybody who kept horses had all the hay he could use for years.

The one fact which kept me encouraged was the price quotation on hay on the market page of my morning paper. With hay selling at \$19.75 a ton, evidently there was still a demand for it. Even if nobody in our county needed hay, then I must find somebody in the business of shipping hay to more distant places.

After telephoning to every hay buyer within 20 miles without exciting interest, I began to take in more and more ter-

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New Burroughs Machines furnish an original ledger, an original customer's statement and prove the work automatically in one posting operation.

While completing these records Burroughs Automatic Book-keeping Machines are so flexible that they can also provide automatically as a by-product any information desired, such as:

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Some of these machines will also furnish Accounts Receivable Ledger and Statement with complete *typewritten description* of entries.

Whatever the nature of your Accounts Receivable problem, the local Burroughs man can help you select a machine exactly suited to your requirements—and without obligation.

— CHECK APPLICATIONS WHICH INTEREST YOU —

BURROUGHS ADDING MACHINE COMPANY, 6158 SECOND BOULEVARD, DETROIT, MICHIGAN

Gentlemen: Please send me more information on the bookkeeping problems I have checked.

Accounts Receivable ☐

Ledger and statement in combination—ledger and end of month statement—without carbon—skeleton or itemized

Payroll ☐

On cash or check payments

Distribution ☐

Labor—materials—purchases
—sales—expense—cash

Costs ☐

As shown on stores records, payroll and distribution summaries, cost sheets, etc.

Accounts Payable ☐

Ledgers with or without remittance advice—Journal-voucher system instead of ledger—including registration of invoices

Sales Audit ☐

By clerks and departments, cash, charge and C. O. D.

Stock Records ☐

Of quantities—values—or both quantities and values together

Journalizing and General Ledger ☐

Complete typewritten description, or date and amount only

Name _____

Firm _____

Address _____

ritory, until toward the last, in desperation, I would have placed a long distance call for a hay buyer anywhere in any adjoining state on receiving assurance that he might be in the market.

At last a miracle happened. One man referred me to somebody else and he in turn told another fellow about me and finally to my amazement I found myself talking to a Mr. Smith, a hay-buyer who admitted that he could use several tons of hay.

Let's See the Hay First

"OF COURSE," he said, "I can't tell much about it until I see it," which seemed fair enough, and we agreed to meet at my barn the following afternoon.

He came and climbed about the hay-mow, and examined the hay as critically as a jeweler looking at a delicate Swiss watch.

To my great relief, he admitted: "Yes, you've got nice hay and I'll be glad to buy it all, if we can agree on the price."

"I guess that won't be any trouble," I cheerfully replied. "You shall have it at the market price. Is \$19.75 all right?"

He looked startled. "Oh, no," he said, "I haven't heard of hay selling at any such price as that. The most I've paid was \$12 and I can get all the hay I want now for \$11.25."

"But the paper—" I faltered.

"Oh, yes, that," he interrupted, "I know what you mean. Funny thing just the other day I met a fellow who didn't understand about that any more than you do. A city chap he was, tall and sort of dudish. He had read the prices in the market page and thought hay might be sold at such prices."

I was obliged to confess that I had somehow gathered the idea that quotations on the market page might indicate the prices at which hay should be sold.

In a tone such as a patient school teacher might use in explaining a hare and hound problem to a dull-witted pupil, my visitor tried to make me understand that the price in the paper applied to a grade of hay which serves as a standard but which is seldom found outside of hay-museums.

"It's a kind of standard the government fixes," he declared, "of a certain color, and entirely free from weeds, and if anybody ever found such hay, maybe

he would pay the price the paper says, but I've been buying hay now for going on 19 years and I never found hay like that in enough quantity to be worth fooling with."

"Wouldn't it be a great stroke of enterprise," I asked him, "if our paper were to print on its market page something to give a person a rough idea of what he can hope to get for his hay instead of these fancy prices that you say nobody ever receives?"

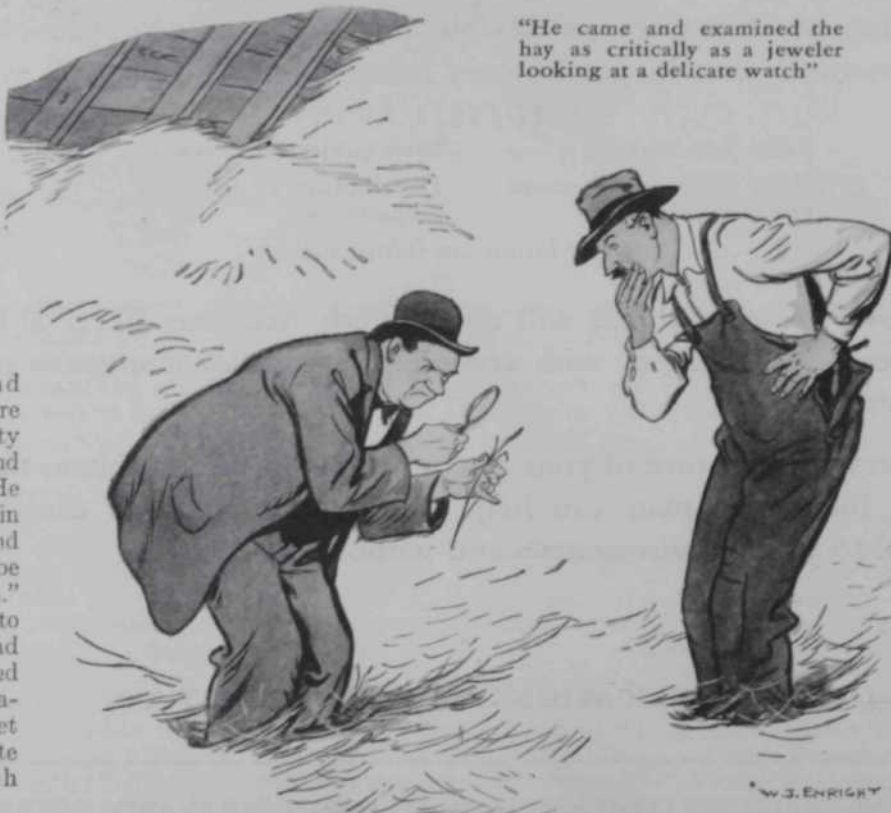
"Oh, no paper would like to do that," he insisted, "they have to have a standard."

"As I understand it," I told him, "you'll pay me only \$11.25 for my hay because it is only a little more than half as good as this imaginary hay that would be worth \$19.75."

"I never thought of it in that way before," he said, "but maybe you ain't so far wrong, at that. You know, you city folks understand farming problems much better than a man might expect."

Desperate, I was half inclined to let my hay go for whatever I could get. Maybe, if I waited a day or so longer, I wouldn't even be able to give it away.

"When could you haul it away?" I asked.



"I don't haul it," he said. "We ship entirely by freight. Just as soon as you get it baled, send it on to the nearest railway station for loading and I'll pay the freight on it myself."

Baled? There was still another thing that I had not counted on. Yet it seems that nearly all railroads would much rather have hay shipments in bales than just loaded into their cars loose.

Also, I learned that having my hay

baled would cost about \$4.75 a ton and it would cost another dollar a ton to have it transported to the railway station for shipment. That made \$5.75 a ton that I must deduct from the \$11.75 the man would be willing to pay me. Just at a rough calculation, I couldn't see where I would receive more than \$5.50 a ton. And the morning paper had placed my hopes at \$19.75!

That evening when I looked in my account book, I discovered that the cost of hiring men to cut my hay, rake it up, haul it to the barn and stow it away in the mow had averaged around \$7 a ton. Maybe they had dilly-dallied on the job, or maybe they did as well as could be expected. At any rate, it was now too late to go behind the returns. But how was I to make any money selling hay at \$5.50 after paying \$7 for it myself? And I hadn't figured any cost whatever for seed, planting operations, or land rental.

I Decided to Keep It

BUT I made up my mind to do this: Rather than sell hay at a price that would just be making a durned fool of myself I decided to keep it. It is in the mow even yet. I don't know what I'm going

to do with it, but so long as it is there, our hay mow is a dandy place to go and practice skinning the cat, hanging by one's feet from an iron cross bar, or doing flip flops.

Gradually the old timothy is getting packed down and we are going to have an awfully nice upstairs gymnasium that will afford pleasant relaxation when we are sportively inclined. However, I still might be willing to sell. If you happen to be in touch with anybody needing hay, I would try to crowd through a little at just as low prices as could be found elsewhere.

Since my hay troubles began, though, I have been talking with my old friend, Doc Spillman, farm economist for the United States Department of Agriculture,

and he tells me that there are now six million fewer horses in the country than existed at the close of the World War. The horse, faithful friend of man, and hay growers particularly, seems headed for the museum. Perhaps I should have thought of that and taken it into consideration before I raised so much hay in the first place.

Fulsomely,

Fred C. Kelly.

Delicate Iced Cakes



Skinless Frankfurters

Tender Yeast Cakes



Cocoa and Bouillon Cubes

*Is your product any more
difficult to wrap than these?*

THE economies and merchandising advantages of machine-wrapping play a large part in the success of many products. The savings over hand-wrapping add substantially to the profits—and, what is more important, often enable a manufacturer to market his product at a more popular selling price, thus automatically increasing volume.

The improved appearance, and better protection obtained by modern machine-wrapping is another important sales stimulant.

Certainly, whenever possible, it is advisable to wrap by machine.

But the manufacturer often assumes that his product cannot be wrapped by machine—that, because of its physical form, hand-wrapping is necessary. Years ago this might have been so. But today, with the wide variety of machines that have been developed, the advantages of machine-production are available to many more products.

Often it is not even necessary to design a new machine. For example, the machine which now wraps iced cakes and cup cakes is an adaptation of a machine that wraps cartons of crackers or biscuits. The machine that wraps skinless frankfurters is a revised model of the machine that wraps stick candy. The machine that wraps cocoa-cubes—so delicate that the slightest pressure of the fingers would pulverize them—is the same machine, with slight modifications, that wraps tiny bouillon cubes.

No matter how "different" your product may seem, bring it to us. With our 25 years' experience in providing machines for a wide variety of products, and the inventive ability of our engineering staff, it is more than likely that we can supply a machine to fill your needs. *Solving problems built our business!*

PACKAGE MACHINERY COMPANY
Springfield, Massachusetts

New York: 30 Church Street Chicago: 111 W. Washington Street
London: Windsor House, Victoria Street



PACKAGE MACHINERY COMPANY

Over 100 Million Packages per day are wrapped on our Machines



Hotel keeping is, of course, a business. But how can it be a successful business unless every guest thoroughly enjoys every minute of his stay?

We believe in that principle but—even more important—we all genuinely enjoy this business we're in. So we've created for you here the surroundings and atmosphere of a fine private club. European-trained chefs prepare food that has become famous. Bedrooms are luxurious and artistic and really pleasant places to be. And from the moment we bid you welcome to the moment we say goodbye, everyone here is out to see to it that you shall be comfortable and that your wants shall be courteously cared for almost before they are expressed.

HOTEL CLEVELAND

PUBLIC SQUARE - CLEVELAND

1000 rooms with bath,
150 at \$3 - Servidor Service

Most centrally located and most easily reached hotel in Cleveland.

*Exceptional facilities for conventions
(floor plans and full information on request.)*

HOTEL CLEVELAND

When writing please mention Nation's Business

Tailor-Made Towns

(Continued from page 33)

been prevented through the company's control of the 14,000 acres included in the triangular site. The deep Columbia giving an easy channel to large freighters, and the natural focus of rail lines and highways in the Puget Sound region argue the strategic position of this project.

Longview made an issue of the traffic problem at the very beginning, and by way of solution, provided an ingenious rectangular arrangement of streets superimposed on radial thoroughfares which converge at a six-acre park, the civic center. With this combination of radials and gridiron, alternative routes remove the possibility of clogging the main arteries with peak traffic.

Public Utilities Ready-Made

ALL THE public services were ready for use when the first residents arrived in 1923. That availability was the agreeable fruit of scientific planning. Rainfall and storm records were studied to determine the size of the storm sewers, and population curves were considered to ascertain the probable pressure on its utilities. Because of the wise zoning regulations, it was not necessary to control growth from one center.

Development began in a series of disconnected population islands, and these scattered nuclei have steadily coalesced into a homogeneous entity without conversion of property from one use to another. A convincing testimonial to the good taste of the residents is at hand in the company's commentary that the standards of construction and development are substantially higher than the minimum standards established in connection with the original sale of lots.

A robust industrialism thriving in the midst of a pastoral charm comes to view in Kohler, Wisconsin. Moved four miles westward from Sheboygan in 1899, the plumbing manufactory of the Kohler company now operates in an environment suggestive of England's garden cities. To the west and south of the tall frieze of elms that screens the factory buildings are the workers' homes. For the most part they are cottages, distinguished for their simple architectural treatment and tastefulness of adornment.

The practicalities of this development have taken their direction from nature. Winding streets giving welcome emphasis to the meandering course of the river, and a sylvan theatre in a wooded hollow invites the eye to a larger prospect of the rolling countryside. Bridges and paths appear only as man's useful footnotes to nature's excellent work. Wherever the gaze may rest, there is neatness and order. Kohler always seems to have been freshly washed and starched. The streets are clean, the trees are trimmed, the hedges closely clipped. Good civic housekeeping is evident everywhere.

In this garden spot live a good many

single Adams, and it is for their use that the Kohler company has provided the American Club, a comfortable convenience in pleasant contrast to the usual boarding-house accommodations. Amusement and recreational facilities are available at the club, as well as meals and lodging.

Training for citizenship is offered to adults by the schools in addition to the regular instruction for children. As would be expected, the schools are a center of community interest, and they supplement the American Club as places of meeting for the various civic organizations.

Sports and games have their proper place in Kohler's scheme of things, with baseball, tennis, basketball, skating, tobogganing and skiing among the most popular. Nor are the mind and spirit starved for lack of sustenance. Opportunities for friendly association abound. Several choral organizations and an orchestra invite the soul with music. Occasionally, a famous band or orchestra is brought to the village for open-air performances.

Doctors, dentists, and nurses are quickly available in Kohler, and a safety inspector keeps a close watch on the factory equipment. A benefit association has been organized, and the company carries group life insurance for its employees. Many years before workmen's compensation laws were generally advocated, it had provided the means for adjusting losses from injuries. Employees may subscribe to a thrift plan which pays interest on savings, but Kohler has no "welfare department."

Planned by Community

THE lesson of Kohler is plain to read. It illustrates the practical possibilities of cooperation and foresight in community affairs. It has demonstrated that high ideals in town building can be made effective. Although Kohler has no elements of planning that cannot be found elsewhere, it has managed to contrive a fascinating flavor of individuality to its development. Almost idyllic in its rural setting, this town presents the somewhat astonishing reality of the robust activities of a great iron-working industry. The citizens are not living in a pretty village accepted as a complete dowry from the company. They are living in a planned community, which under good leadership they are building for themselves.

Not far from Boston is another "tailor-made" town. And for Shawsheen the label is most suitable, for it is the projected vision of William M. Wood, whose earnest energy made the American Woolen Company's products known to every tailor in the land.

Shawsheen was planned to solve the war-time housing shortage, and began to take form in 1918 with the purchase of

"How did we break into the New York Market?"

THE President of a well-known concern repeated this question. "The secret we learned was not selling or advertising or merchandising—but distribution. We broke into New York by getting our goods to our New York dealers in just the right quantity, at just the right time.

"The reserve stock we placed at Bush Distribution Depots enabled dealers to reduce inventory on our goods even though their total monthly purchases were increasing constantly. These benefits to the dealer have been featured by our salesmen in developing old accounts and in closing new ones.

"Our New York salesmen are really happy. At last they have something that really helps them sell and really helps dealers buy. The trade is pleased: we've had many letters from dealers appreciating this new distribution system with its better service and lower inventory costs.

"But no one could be quite so delighted as our own executives. We had seen New York sales costs rising and sales volume dropping—now we see volume jumping and costs fading."

Bush Distribution Services offers an economical way of increasing sales. It saves money compared with any other method of receiving, storing and delivering goods in Greater New York. These savings and profits are described in our new booklet "Distribution Perfected." Your copy is waiting for you. Mail the coupon and get this valuable sales help immediately.



Regular daily deliveries to New York dealers and consumers.

Special emergency deliveries.

Deliveries to dealers authorized to order direct from Bush.

Open stock service that assembles assorted orders.

Spot stock service that completely controls merchandise.

PRINCIPAL SAVINGS

City cartage costs eliminated.

Freight rates radically cut.

Inventory investment reduced.

Fixed annual overhead avoided.

Final delivery costs lowered.

BUSH TERMINAL CO.

DISTRIBUTION SERVICE, NEW YORK

Bush Terminal Company
Distribution Service—Dept. N-4
100 Broad Street, New York

You may send me, without obligation, your booklet, "Distribution Perfected."

Name.....
Firm.....
Street.....
City..... State.....

NEW BEAUTY WITH STEEL



TO meet the growing appreciation for color, Hauserman offers steel partitions in many tones—tans, greens, grays and many others—including lustrous bronze and copper metallic finishes . . . also beautiful graining effects. Until you have actually experienced their rich, blending beauty and dignity, you cannot actually realize what Hauserman has accomplished with steel. The beauty goes further than the finish, extending into the modeling and contour of every part.

Have one of our partition specialists call, or write for literature.

THE E. F. HAUSERMAN COMPANY, Partition Specialists
6876 Grant Avenue, CLEVELAND, OHIO

Sales, Engineering and Erection Service at Branches in Thirteen Principal Cities



*"Partitions
for every Place
and Purse"*

land in Andover. The development immediately benefited the company executives and the clerical staff concerned with the operations of sixty mills located in the heart of New England's textile industry.

Built on the site of the earlier Frye Village, on the banks of the river that gives it its name, this model town has a character all its own. Perhaps it is the notable number of windows, perhaps it is the warmer coloring of its structures, or perhaps it is the human aspect that gives it memorable distinction. Made to order as the town was, it is obviously not artificial in its life and interests. The houses suggest something more than the conveniences of living quarters. They have become homes.

Athletics Are Encouraged

GENEROUS provision for play is made with tennis courts, swimming pool, bowling green, golf course, and general athletic field.

The plan of development at once reveals the ingenious centralization of related interests of home and work, for the farthest dwelling is no more than a stone's throw from the office doors. Two hundred colonial houses and twelve community buildings are included in the warp and woof of this industrial fabric.

Mr. Wood put himself into the project and humanized it with personal touches that give it character and charm. Shawsheen was in his mind wherever he went. On a trip to Valley Forge he saw the stone hut in which Washington remained for a time. "Get that," he said to his companion, and the interesting consequence was the reproduction of the building in Shawsheen. Now it serves for a boys' club, and for a polling place.

Easy access to the best of dairy and agricultural products and meats at prices usually lower than in the nearby cities puts an economic significance on life in Shawsheen. But it is in its stimulus to a larger self-development that Shawsheen makes its chief contribution to the cause of social betterment.

It is paying its way as a business enterprise. It is wielding by-products of human happiness that are incalculable. Shawsheen's success directs the conclusion that a business need not accept conditions as it finds them, but that circumstances can be happily bent to obtain higher efficiency, greater output, and more satisfactory and economical service to its customers.

Reared on Milk Chocolate

"REARED on a cake of sweet milk chocolate," as the saying is, the town of Hershey has come to full industrial flower in the arcadian beauty of the fertile Lebanon valley in central Pennsylvania. Planned in 1903 by M. S. Hershey, the town presents an edifying example of a model factory operating in an engaging setting of groves and parks. Even the factory is covered with a thick growth of ivy. Streets and by-paths were designed to present pleasant vistas, and to conform to the contours of the undulating

MOVABLE HAUSERMAN PARTITIONS STEEL

When writing to THE E. F. HAUSERMAN COMPANY please mention Nation's Business

CRATING



Your Balance Sheet—*does it show how much profit leaks through your shipping room?*

THE boss is interested in this, so are your customers—so are your stockholders.

You may find it worth while to again check against your crating costs.

A saving in time, labor, material and freight costs can be added to the profits or used for a price advantage.

Neater packages that arrive in good condition build good will. Save claims and adjustments.

If your crates can be standardized, cut-to-size crating requires less room

for the crating operation—releases space for greater production.

Call in the Weyerhaeuser man. Apply his crating experience and expert lumber knowledge to your problem. Get the whole story of Weyerhaeuser crating methods and cut-to-size crating.

If your crates can be standardized he will recommend cut-to-size crating. If it be more economical to use box shooks or one of the eight ideal crating woods, that will be his unbiased recommendation.

WEYERHAEUSER FOREST PRODUCTS SAINT PAUL • MINNESOTA

Producers for industry of pattern and flask lumber, factory grades for remanufacturing, lumber for boxing and crating, structural timbers for industrial building. And each of these items in the species and type of wood best suited for the purpose. Also producers of Idaho Red Cedar poles for telephone and electric transmission lines.

Weyerhaeuser Forest Products are distributed through the established trade channels by the Weyerhaeuser Sales Company, Spokane, Washington, with branch offices at 806 Plymouth Building, Minneapolis; 1418 R. A. Long Building, Kansas City; 208 South La Salle Street, Chicago; 1313 Second National Bank Building, Toledo; 2401 First National Bank Building, Pittsburgh; 1600 Arch Street, Philadelphia; 285 Madison Avenue, New York.

WEYERHAEUSER CRATING LUMBER STANDARD LENGTHS OR CUT TO SIZE

Out West

WHERE FACTORIES HUM

to fill the needs of ever-increasing markets

THE Eastern and Mid-western manufacturer will find many interesting and unusual conditions on the Pacific Coast.

Picture YOUR plant, for example—in the fastest growing section of America . . . On the picturesque shores of "One of the World's 10 Great Harbors" . . . Where summers are cool—and winters never come!

Manufacturing Profits are Large:

Here, labor is 10% to 20% more efficient—and always available at low wages. In this delightful clime, plant upkeep and operating costs are unusually low. And you save the "higher freight rates West of the Rockies."

Great Natural Resources Abound:

Here, Nature has been lavish with her wealth—and raw materials are near at hand, or easily brought to your door from all parts of the world via rail, truck or water routes that are open and uncongested the year 'round.

Tremendous New Markets are Developing:

This is the land where new buying habits are formed! Settlers are coming to Southern California, by the hundreds of thousands, every year! In this new environment they naturally forget old-time favorite products and old-time desires—giving way to the lure of modern goods made, offered and guaranteed by new Western factories. And, just across the Pacific is the profitable call of the Orient—now beginning to order Western-made goods as never before.

You really should know more about the manufacturing possibilities and opportunities for the enjoyment of life which can be yours for the taking—in

San Diego

California

Here, fuel, power, water and tax rates compare favorably with other cities, and . . .

Very Little Investment is Required:

Choice industrial sites, at tidewater, are still available at extremely low rates. Peak production schedules can be carried on, the year 'round, in frame structures without expensive heating plants, or even out-of-doors—in many industries.

A personal inspection and vacation trip to San Diego and the Pacific Coast will reveal many interesting things. New business opportunities galore! Rare scenes, great parks, historic relics of early Spanish days. Quaint Old Mexico just 20 miles away. World-famous facilities for sports and healthful recreation on the seashore, lakes and slopes of nearby wooded mountains! Here gentle breezes are ever fragrant with the perfume of flowers—and lawns and foliage are always green. This, truly, is a favored land. Prepare to come, but meanwhile—

Send for interesting
FREE BOOKLET

This compact little booklet is an eye-opener! It contains vital charts, statistics, data and information every manufacturer contemplating intensive development of the great Western market should possess. No obligation. Write to Chamber of Commerce, Industrial Development Dept., 763 Chamber of Commerce Bldg., San Diego, Calif.



ground. The houses are commodious. The lawns are wide, and in summer velvety. Hershey has plenty of room for living, for working, and for playing.

Manufacture of chocolate is the principal business, of course. Apart from the workers in the factory, several hundred other persons are employed in banking, merchandising, farming, dairying, in the theatres, in restaurants, in the public utilities, and in other services. A park of one thousand acres, and a large auditorium have made Hershey virtually self-contained with regard to recreation and lyceum facilities.

Boys' School Provided

THE pastoral calm of the valley seems ideally suited to the successful operation of an industrial school for boys, and so Mr. Hershey thought it. On a tract of 800 acres he built cottages to house several hundred orphan boys. The school, which is non-sectarian, feeds and clothes the boys. Training in agriculture, horticulture, and gardening is provided.

The reason for the school is plain enough to those who know Mr. Hershey. But he was asked about it, and his answer is revealing. "Well, I'm just fond of boys. I'd like to give orphan boys a chance. Girls get taken care of." And a luminous bit of his philosophy of life and business shines through this statement:

"We haven't any city government. We have about 2,500 population. The company runs the town, takes care of the streets, supplies water and gas, and that's all there is to it. We haven't any politics, and people don't have to live here if they don't want to. A lot of them don't.

"We have a trolley line that takes them to other towns nearby, and the fare is five cents. We don't interfere with them in any way. They've got a right to do as they please."

Real estate developments to isolate clots of humanity beyond the congestion of great cities are no novelty. It is only when they bring a fresh point of view to old problems that they can be appraised as innovations.

And it is not by magnitude of plan or opulence of adornment that Radburn, New Jersey, got into the news. Just 17½ miles from New York, between Paterson and Hackensack, on the Erie railroad, Radburn has been designed by the City Housing Corporation to accommodate a population of 25,000.

Designed for Traffic

RADBURN seems to be the first town to take full cognizance of this motor age. The builders have made the traffic problem a decisive factor in design. Towns have been consistently built to a street system planned for horse traffic. In Radburn through streets are provided for fast traffic. Houses front on side streets, which come to dead ends. Each short street will carry only the traffic for its houses.

By means of park spaces and pathways, schools and shops are readily accessible

ATWATER KENT RADIO

First in public preference

ITS FINE PERFORMANCE and moderate price give Atwater Kent Radio first place in popularity. Every survey shows it to be most in demand.

Its reputation, spread by printed and pictorial advertising throughout the year and by word-of-mouth advertising which money cannot buy, causes Atwater Kent Radio to move quickly from dealers' shelves.

Since January 1st, when the Atwater Kent A.C. electric set was introduced, sales have been six times as large as in the corresponding period of any previous year. The total number of Atwater Kent Receivers now in use is more than 1,650,000.

Because of this great and growing popularity, radio dealers who consistently feature the Atwater Kent line are consistent money makers. They deserve cooperation of bankers.

ATWATER KENT MANUFACTURING COMPANY

A. Atwater Kent, President, 4715 Wissahickon Avenue, Philadelphia, Pa.



This, the largest radio factory in the world, covers 15 acres but is inadequate for present needs. Not far away we are utilizing another factory covering 1 3/4 acres.

The Heavy Duty Railroad

HEAVY DUTY in your own Plant—you know what that means. Capacity to handle every ordinary Job and extra Capacity for the Overloads.

You've spent many Dollars to build that Heavy Duty Capacity into your own Business. But what good is it, unless the Railroad that serves you has it, too.

WHAT good is your Ability to Buy unless you get your Materials with Dependability. What good is your salesmanship unless you can deliver your finished goods in competition with your neighbor—Not once in a while, but all the time.

The Erie Railroad is equipped and operated for the Heavy Duty Needs of Modern Day Business. A Shipper of small Packages says: "It's the fastest less carload delivery I ever heard of." A shipper of a train load of heavy Machinery says: "No other railroad could handle it; they didn't have the clearances." A Manufacturer running a big Plant on a one day Inventory says: "During three years the Erie never has failed to have my Materials at the Door Every Morning."

Another says: "The only railroad that had the kind of cars I wanted when I needed them was The Erie." Still another says: "During five years you have never left me short of Cars for outbound loading."

Surely, "Such Popularity Must be Deserved."

The Erie is a Heavy Duty Railroad.

Every Erie Station is a Service Station.



without need to cross an arterial motor route. The dimensions of a typical unit in this development are 1,800 feet by 1,100 feet.

One of these units will accommodate about 600 families, and two units constitute a school district.

Radburn's economic life will not center in one industry, but location of a variety of suitable industries will be encouraged. "Commuters" are to have residence in the town, but they will be in the minority, for Radburn was not intended to be just another "dormitory town" on the fringe of the metropolis. It stands as an intelligent effort to provide cheap, but civilized housing.

In the frank recognition of the place of the motor car in our civilization town planning has struck its most modern note. Larger units of planning and the fresh treatment of the layout give Radburn additional claim to public and professional notice.

A little beyond the fringe of the domestic picture, the aluminum town of Arvida is taking form in Canada. Located at Chute à Caron on the banks of the rushing Saguenay, this development is strategically situated to make the most of the tremendous water power available for the manufacture of aluminum.

Incubated in the offices of engineers, housing experts and landscape specialists, this town, in three years, has risen from an open farm land almost full fledged. Its 7,500 citizens are at no lack for churches, schools, hospitals, and recreation facilities. Provision has been made in the plans for an ultimate population of 50,000.

Synthetic and Ideal

ARVIDA is synthetic in its name, derived from the name of Arthur Vining Davis, president of the Aluminum Company of America, and it is synthetic in its construction—synthetic in the most beneficent sense, for the Aluminum Company of Canada, organized to operate the great plants, is intelligently determined to make Arvida the model town of Canada.

Other towns and developments have convincingly demonstrated the value of pre-planning, and the list included here makes no pretense to completeness, but the examples are believed to be fairly typical and illustrative of an industrial vision that is not only economically sound, but is notably humanitarian.

Pre-planned towns offer definite proof that the economies in large-scale housing operations are just as substantial as in large-scale factory production. More and more cognizant of the blessed intangibles, scientific planning has demonstrated that garden and park space, and health and recreation can be assured for families of limited means.

Pre-planned towns built to wise specifications are the pleasant evidence that livelihood can become life, and that home and work can be efficiently and happily related in an inviting partnership with nature.

Why are speed-ball pitchers harder to hit as the day grows darker?



BECAUSE it is hard to see a fast-moving object in poor light.

The accuracy of vision is affected by light in factories just as on the baseball diamond. Poor light causes serious mistakes, hinders production, causes the wasting of costly materials. Poor light is responsible for 18% of industrial accidents. Empty sockets and burned out lamps are expensive because they prevent illumination.

A definite amount of light is necessary for highest efficiency in your establishment.



*MAZDA
—the mark of a
research service

Examine your lighting facilities, then write to Division G4 of the Edison Lighting Institute at Harrison, N. J., and we will send you free the results of our engineers' investigations concerning the lighting of your *particular* kind of business.

Edison MAZDA Lamps represent the latest achievements of MAZDA* Service, through which the benefits of world-wide research and experiment in the Laboratories of General Electric are given exclusively to lamp manufacturers entitled to use the name MAZDA.

EDISON MAZDA LAMPS

GENERAL  ELECTRIC



You're At Your Best When You Drink Plenty of Water

PLENTY of water—cool and fresh—You're at your top form when you have it ready at hand—to drink whenever you want it—particularly these hot summer days.

And the more sedentary your work is, the more you need it. It's Nature's simplest and surest conditioner.

Have it always beside you in this "Thermos" Executive Water Set—always fresh—always chilled. "Thermos" keeps water in perfect "drinking" condition for 72 hours or longer.

When you've used this "Thermos" Water Set for a week it will be as essential to you as your telephone.

Only from a "Thermos" Set can you be sure of receiving perfect "Thermos" Service—for there is only one "Thermos."

"Thermos" Sets (with your trademark artistically mounted on them) make ideal gifts for the executives of your better customers. Send for special prices on quantity orders.

The handsome "Thermos" Bakelite Desk Water Set (illustrated above) in natural wood finishes to match your office furniture (Mahogany, Walnut or Maple). Quart capacity, complete with tray and two glasses.....\$10.00
Other Desk Water Sets from \$11.00 to \$26.00
Canadian Prices on Application

THE AMERICAN THERMOS BOTTLE COMPANY
366 Madison Avenue, New York
Chicago - Cincinnati - San Francisco
Norwich, Conn. - Huntington, W. Va.
In Canada: Thermos Bottle Co., Ltd., Toronto

Genuine
THERMOS
REG. U. S. PAT. OFFICE
VACUUM BOTTLES

Remember, only Genuine Thermos
can give Thermos Service

When writing please mention Nation's Business

Eight Dollars a Day

(Continued from page 16)

and 1,000 pictures of the Coliseum by moonlight. Now the pictures are selected to fit the rooms and to some extent to fit the guests. It isn't the art but the strain that costs. Interior decorators at work on hotels have been known to die on the premises.

It costs \$500 a year to keep that room and bath going. That is, roughly, one dollar and a quarter out of the eight dollars a day it rents for. The \$500 goes for renovating rugs and rebuilding mattresses and sewing up tears in curtains and repainting and replacing worn out linen and fixing taps in the bathroom and so on and on. A hotel must be done over from stem to stern at least each third year. If it goes a day beyond it gets rusty. In fact, it has been rusty for the last year of the term and good hotelmen begin renovating almost as soon as they open the doors of a new establishment.

Careless With Hotel Furnishings

ONE reason is, of course, that the hotel guest is as carefree as a catbird when he is paying \$8 a day. If he dropped a cigarette on the rug when he is at home Mamma would have his life. To drop cigarettes is one of his privileges when he stops at a hotel. He wipes his shoes on linen towels and writes telephone numbers on the tapestry paper and constellates the floor with ink. Hotels now chain bottle openers to the bathroom wall to circumvent his passion for unstoppering by aid of the dresser handles, but he still spills his gin on the mahogany. He knows, if he ever thinks about it, that he pays for these eccentricities out of the \$8 a day. Everyone else is doing it, though. He will have his share of the fun.

George Rector wrote not long ago of the Hotel Adlon in Berlin, which for years had the name of being the world's best. Whether it was or not it was certainly good. The Adlon had what amounted to a servitor system long before we knew of such a thing on this side. It also had a system by which the guest who did not tip was made to pray aloud for death. But that is one of the asides that Eugene O'Neil discovered a century or so after the elder dramatists found the same thing. It may be disregarded if you want to follow the plot.

Rector said that the Adlon carried the major fraction of one servant to each guest. That sounds luxurious. The first impulse is to remark on how much better they do these things in Europe. It comes almost as a shock to discover that good American hotels do as a rule what the Adlon does as an exception. In a hotel of 800 rooms with which I am intimately acquainted there are 743 servants on the payroll. The upstairs servants are paid money, too, and are not compelled to rely on tips, although none of them refuse to take tips if offered.

But tip-giving is mostly in the dining room, which is usually staffed by dark

gentlemen who have not been in contact with our broadening culture long enough to show the scars. Their sons may, perhaps, refuse tips. More likely their sons will give tips. Themselves not only take tips but have an efficient way of getting tips out of the most hardened. The dining room is another story. That eight-dollar-a-day bedroom is looked after by women who do not as a rule receive enough tips to be noticeably degraded by the odious practice.

In 1910 a chambermaid was paid \$12 a month and was fed in a good hotel, and at night she slept on a cot in a hall that looked as large as an auditorium and probably sounded like one. She did not get out in the sunlight very often because she was interested in her work. By the time she had made up the last room she tried to walk on her hands because her feet were so swollen, and she loafed in bed until five o'clock every morning because she was too tired to get up. If she ever greeted the morning lark it was with a curse. That stuff is out now.

Chambermaids are paid \$40 a month and board nowadays and instead of sleeping in dormitories each pair is given a neat little room in the more recently built hotels. In tomorrow's hotels they will not "sleep in" at all, because land and building costs are too great to permit a hotel the extravagance of bedrooms for the help. I am not going deeply into the servant question, only enough to indicate the bearing the servants have on that eight dollars a day. In most states nowadays the girls work in three shifts on a six-day week. The \$12 a month chambermaid of 1910 never did get through work until her feet broke at the ankles.

When the poet wrote that "woman's work is never done," he thought of hotel chambermaids, who worked 30 days a month except in February. Nowadays they have plenty of time to go to dances. A handsome Danish girl told me that she had been a stenographer in Denmark and worked at the trade for a time after she got to this country. The best salary she could hope to get was \$25 a week. As a chambermaid she is paid \$40 a month and given board and room, her tips average \$25, and she has all the time she wants to see her "faller." What could be sweeter?

Five Dollars Upkeep

THAT eight-dollars-a-day room costs \$5 a day to keep running. The same proportion of costs is maintained in hotels of differing price scales. The less you pay the less you get and that is a law of business and human nature. Roy S. Hubbell, manager of the Hotel Belmont in New York, tells me that an hotel of 1,000 rooms must take in \$5,000 each day before it makes a cent. The cost is pro-rated among the lobby and the elevator force and the bellhops and the electric bulbs and what-not. But it is there. Every penny of it can be accounted for.

A hotel room is the most perishable

ORGANIZATION - FACILITIES - EXPERIENCE

Advantages

that make possible a new type of service
to the electrical appliance industry ~



There is no duplicate, anywhere, of Domestic Electric's experience in the development of *special* fractional horsepower motors and their application to electrical appliances.

For this reason, extension of Domestic's facilities to include the *design* and *manufacture* of appliances is of unusual importance to Domestic customers — making available, as it does, a new type of service in the appliance industry.

Our Departments of Appliance Design and Manufacture can operate most advantageously where the motor itself represents 80% to 90% of the complete appliance — in materials, labor and cost — and where the customer wishes to be relieved of the operating expense and responsibility incidental to appliance production.

The Domestic Electric Company is in a position to design and redesign such appliances from "the idea" to the complete model; to design and build the special motor that exactly meets every individual requirement; to manufacture, assemble and deliver the finished appliance ready for service.

Because of exceptional facilities, experience and personnel, we are able to offer

to customers, in the operation of this service, many definite advantages and worthwhile economies not to be found elsewhere.

Quantity production has kept Domestic ever alert to acquire the latest equipment and methods — to cut production costs and to maintain uniformly high standards of performance.

The principals of the Domestic organization not only are highly trained in motor construction and application, but are thoroughly familiar with the service conditions which all types of industrial, commercial and household appliances must meet in actual service. Customers are assured of the constant contact and co-operation of these key men — Domestic, as always, will continue to operate as a *department of the businesses it serves*.

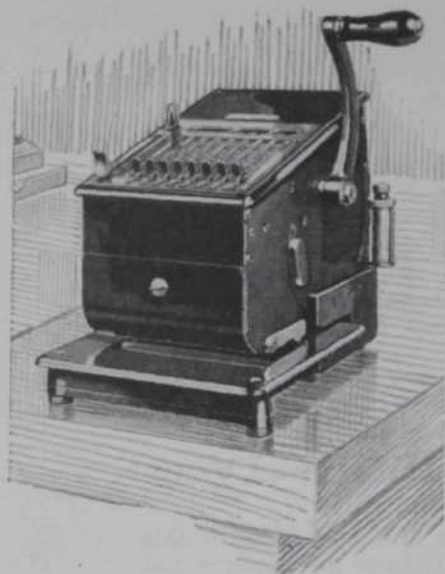
We welcome inquiries from organizations interested in the marketing of portable electric appliances; and we cordially invite personal inspection of the enlarged facilities we now have to offer.

THE DOMESTIC ELECTRIC COMPANY
7209-25 St. Clair Ave. Cleveland, Ohio



Domestic
FRACTIONAL HORSEPOWER
Electric Motors

INDUSTRY'S BIGGEST LITTLE THING



Rust-Proof Because PARKERIZED

PROTECTOGRAPHS, dictaphones, typewriters, linotypes and other accurately functioning machines are insured against the dangers of corrosion by Parkerizing.

Look for the slogan "Rust-Proofed by the Parker Process"—it means trouble-free service.

Parkerizing is especially desirable as an undercoating for enamel. As it is cohesive instead of adhesive, paint or enamel will not chip or peel.

The Parker Process is available to any manufacturer who will install the few simple tanks necessary to apply it and is a good finish of itself for many articles.

Parkerizing is accomplished by immersing cleaned iron or steel articles in a solution of hot water and "Parco Powder" a clean dry chemical of concentrated rust-proofing energy, producing adequate results at low cost.

Our engineers and chemists are qualified to advise you concerning the use of the Parker Process as applied to your individual requirements.

Parkerizing jobbing service plants are located in twenty-four industrial centers

PARKER RUST-PROOF COMPANY

2179 E. Milwaukee Ave., Detroit, U. S. A.

Send me, without obligation, your monthly THE PARKERIZER and your book PARKER RUST-PROOFING PROCESS.

Name _____

Address _____

A-N. B.

commodity on earth. If it is sold—this eight-dollar room we are talking about—the hotel rings up \$8. If it is not sold, the day is lost. No hotel can sell yesterday. The hypothetical hotel of 1,000 rooms, which must take in \$5,000 each day before the costs are covered, would make a profit of \$3,000 if each room were sold each day. If the hotel is only half full the business of the day is done at a loss of \$1,000. The number of half-capacity days that every hotel has in the course of a year would surprise you.

Reserved or Not Reserved?

YOU only think you reserve a room when you reserve a room. This is getting abstruse and Einsteinic, I know. What I am trying to say is that it is perfectly sweet of you to write ahead to the Hotel Rheinstone for accommodations for self and party, beginning on a date certain. You mean well. You are a careful business man and you want to make certain of a room and bath, preferably on the side away from the broken joint in the trolley track. The Hotel Rheinstone replies on excellent stationery, bidding you a hearty welcome.

But what happens? You change your mind. Or the wife's sister comes on a visit, which God forbid. You do not go to the city on the day you had planned. One reservation in four is never called for. And do you wire the Hotel Rheinstone of this smash in your personal cosmos and advise the management to let some one else have the room you assume has been set aside for you? You do not.

At least, you do not three times in four. To put it differently, three men out of four who have made hotel reservations and find themselves unable to take them do not notify the hotel to that effect. This would be a serious matter, bearing in mind the revelations in the previous paragraphs as to the complete perishability of hotel rooms, except for one saving fact.

The Hotel Rheinstone did not take your reservation any more seriously than you.

Your letter was chucked in a drawer when it came. On the day of your possible arrival it was stuck on a steel file. If you are well known to the hotel and either billable for the price of the room or certain to notify the Rheinstone if you are detained, a room will be assigned to you. If you are just a customer, the rooming clerk lets his conscience be his guide. If the hotel has rooms to spare, you get your reservation. If it has none you get a case of prickly heat. Let me tell a story.

The particular friend of the general manager of a chain of great hotels went west on a visit. The general manager said that he would wire, personally, over his own august name, and make certain of a reservation. On the day set Mr. Badger entered the hotel, swinging his cane, a cigar in his mouth, spats on his ankles, a forty dollar hat on one side of his head, and in general presenting the semblance of opulence and power. He went to the reservations clerk:

"I have a reservation," said he. "Mr. Gilhooley, the general manager of the

chain, ordered it for me himself. I would like to go to my suite at once."

"Yes, Mr. Badger," said the clerk. "We have your reservation. But our guests are giving up their rooms somewhat slowly this morning and I must ask you to wait for a few moments."

Mr. Badger sat in a rocking chair, swinging his foot, and smoking his cigar. The reservation clerk went to lunch and Mr. Badger approached the substitute. This clerk said yes, yes, that Mr. Badger would be attended to.

"You," said he, "are Number 47 on the list."

Mr. Badger went out for a stroll. When he returned another new face peeked wistfully through the reservation wicket. Mr. Badger went to him confidently and said that he would now go up to his rooms, the reservation for which had been made by Mr. Gilhooley himself. The new clerk said that it would be only a little while before Mr. Badger would be cared for.

"In fact," said he brightly, "you are only 98 on the list."

Hotel costs must rise even higher than they are now. Fifteen years ago a big hotel could be built at a cost of 35 cents a cubic foot. Bonding houses base their calculations on the cubic capacity. Now a cubic foot of hotel costs one dollar in New York, which is just twice the cubic cost of an office building. Some saving has been made by lowering the ceilings and renting a part of what used to be the lobby to Ye Old Shoppes, but that economy has been obliterated by the multiplying cost of real estate.

When the proprietor personally took a drink with each guest until his wife came down and got him, the only insurance carried was that against fire. Nowadays a hotel pays for ten different items.

One of the cardinal articles of my creed has been that many of our modest homes have been partly furnished by rugs and reading lamps abstracted from hotels. The hotel towel joke has passed at par for years. I have believed that even the Gideon Bibles have been swiped. But it seems this isn't so at all.

Honesty Is Growing

HOTEL men assure me that folks are honest nowadays. One hotel with which I am acquainted pays a \$3,000 theft insurance premium annually and hardly gets a return on it. None of the petty thievery of which one used to hear is reported. If the towels are taken the fact does not appear on the audit. There are still professional hotel thieves and the insurance is for the protection of guests against them. Each hotel posts a warning card, of course—

"Guests must place their valuables in the safe—"

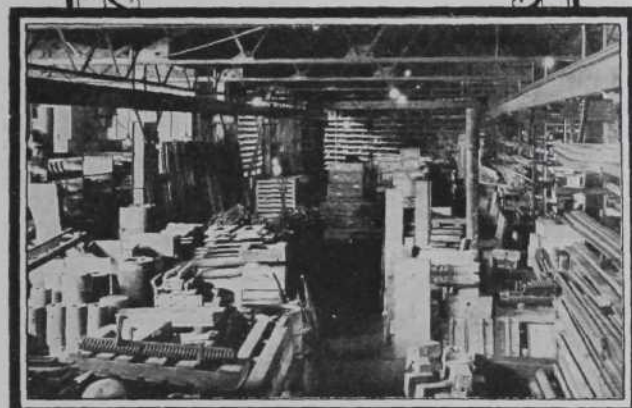
But that is mostly hooey. There is no way of making a guest place his valuables in the safe. If he is robbed, he sounds off like a calf in a mudhole.

Maybe these are not convincing reasons why a hotel room should cost \$8 a day. But if you are in an eight-dollar hotel you cannot get it for less.

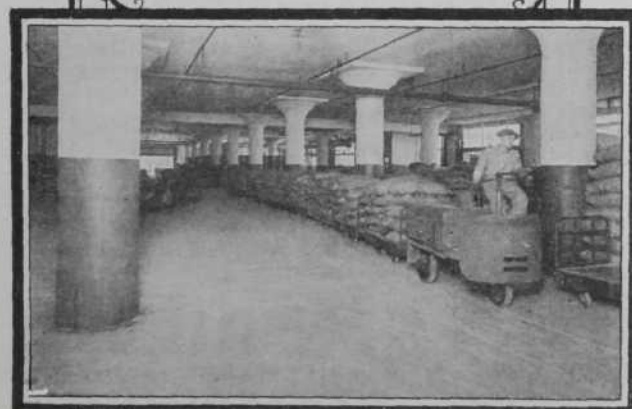
Johns-Manville INDUSTRIAL FLOORING



Ten years of resistance to acid and fire.
THOMPSON CHEMICAL LABORATORY
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Ten years hard usage—a real test of
wearing qualities.
THE CRUCIBLE STEEL CO.
Syracuse, N. Y.



Eight years of heavy wheel traffic—
no dust.
AMERICAN SUGAR REFINING CO.
Baltimore, Md.

Stands heavy trucking and hard knocks

Non-slip surface • Quiet and resilient

Easy and quick to repair

Water-proof and sanitary

Does not originate dust

Resists acid and fire

1

FOR nearly every industrial use Johns-Manville Industrial Flooring has many advantages. But the same qualities which have proved so valuable in industry make Johns-Manville Flooring of special importance to the executives who plan many non-industrial buildings.

Johns-Manville Industrial Flooring is "Made to Fit." It is plastic, and being applied in viscous form it literally does fit all irregularities, besides allowing for easy patching if damaged.

Highly resistant to acids and alkalis, and entirely water-proof, Johns-Manville Flooring is ideal for factories and warehouses, loading platforms, laboratories, wash rooms and scores of other places which require a sturdy, long-wearing floor. Instead of the rigidity of concrete this Flooring has sufficient "give" to make it easy to work or stand on. It is almost impossible to slip on it, no matter how wet.

This flooring is utilitarian to the last degree. Measured by every test to which a floor may be subjected, Johns-Manville Industrial Flooring rates nearly twice, or more, as high as ordinary flooring such as brick or concrete.

Write for our test record which rates leading flooring materials as to their properties on the twelve points which show the worth of a flooring. We believe that every industrial executive should have these figures before him when specifying flooring. Address *Johns-Manville Corporation, Industrial Flooring Section, 292 Madison Avenue, New York City.*



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INDUSTRIAL FLOORING

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Check your requirements for a modern industrial building.

It must be:

Firesafe
Weathertight
Well Lighted
Low In First Cost
Low In Maintenance Cost
Easily Heated and Ventilated
Permanent

What more could be required in an industrial building?

BLAW-KNOX flat or pitched roof buildings constructed from standard units of cooper-bearing, galvanized steel meet all these requirements at low cost and are available for quick shipment from stock. They are in use by hundreds of nationally known firms. Many have been in use for 20 years or longer.

Ask for Bulletins 992 and 1036.

BLAW-KNOX COMPANY

632 Farmers Bank Building
Pittsburgh, Pa.



BLAW-KNOX -STEEL- BUILDINGS

When writing please mention Nation's Business

Old-Age Pension Brings Comment

THERE is a lively interest in the subject of old age pensions which E. S. Cowdric discussed in our June issue. Hal S. Ray, director of Personnel and Public Relations of the Chicago, Rock Island and Pacific Railway Company, thinks that modern life is adding a new difficulty to the problem. Discussing Mr. Cowdric's article he writes:

While under such a plan as ours, and under existing wage scales, employees who have been thrifty during their productive years, find in the pensions accorded them aid which will enable them to pass their remaining years in reasonable comfort, I cannot escape the conviction that one of the problems of the future is that growing out of the more luxurious and expensive mode of living which the developments of the last few years have encouraged. If for no other reason, I am of the opinion that a contributory plan which contemplates a saving for the future on the part of the employee—enforced, if you please—more nearly meets the situation, and I trust that we may find it possible to adopt a contributory plan some time in the future, even though I recognize the added responsibilities which such a plan involves.

GLENN A. Bowers, who directs the research of the Industrial Relations Counselors, Inc., writes us that a study is being made of the adjustments of older persons in industry and adds:

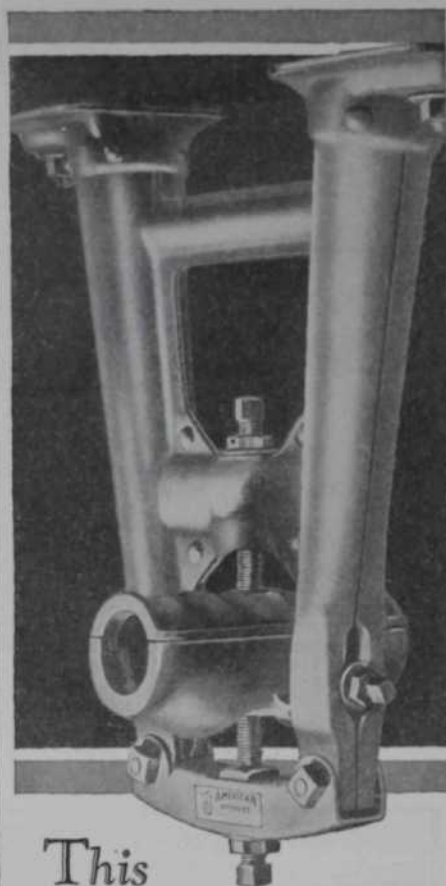
Some of the industrial relations men have recently stated that the entrance age limit of 45 years or any other age is socially unsound and therefore is inevitably to be abandoned. The proposed study will surely throw some light upon the problem of utilizing older men to their best advantage.

MR. W. E. ODOM, director of Industrial Relations of the National Metal Trades Association, Chicago, raises these very pertinent questions about pensions:

In and of themselves, pension plans are but one answer to the question of old age dependency. Another answer is the independent wealth or the accumulated savings of the employee involved. It is a practice of many employers today to render financial assistance to such of their aged employees as cannot retire from employment without resorting to relief from charitable organizations. In such cases investigation is made of the employee's economic status. If he is practically penniless, a pension may be provided. If, however, he has been provident in saving, has accumulated a small estate and is comparatively independent, the pension is not forthcoming. In effect, this practice subsidizes improvidence and, of course, is therefore not altogether desirable.

A comparatively large proportion of employers have recognized this condition and have taken steps through the promotion of thrift habits to assist employees in building up their own estates, making them independent of pensions which smack of charity.

The means used vary in character but are similar in purpose. Sometimes they



This Excellent Stamping Job . . . is typical of "American" skill

Over 30 years of experience in the designing and manufacture of difficult and varied metal shapes to meet exacting requirements, have qualified The American Pulley Company to handle any stamping job.

That is why one manufacturer after another—in turning from castings to more economical, more durable and more efficient metal stampings—has come to The American Pulley Company. And why one after another has reported such results as these:—

"Between 3 and 4 Million 'American' Steel Stampings without a single rejection."

"A Saving of 20% in Machining."

"Breakage Eliminated."

"The Weight Problem Solved."

Let us study the possibility of saving money for you. Tell us what your problems are.

AMERICAN METAL STAMPINGS

THE AMERICAN PULLEY CO.

PRESSED STEEL:

PULLEYS HANGERS HAND TRUCKS
MISCELLANEOUS STAMPINGS

4224 Wissahickon Ave.

Philadelphia, Pa.

When writing please mention Nation's Business

take the form of simple savings plans, sometimes employ stock ownership plans, occasionally credit unions, and so on. In fact, many of the large corporations lay more stress upon employee estate building than upon employee retirement plans.

There is, however, much to be said in favor of the formal pension system, especially if it is actuarially and financially sound, if the employees contribute toward their own pension fund and if the fund is administered by an independent organization, such as an insurance company or trust company.

There is one important point which should not be overlooked by the employer administering his own pension plan; the fact that exceptionally low labor turnover may prove extremely costly from a pension standpoint and provisions should, therefore, be made to safeguard the pension fund regardless of what trend labor turnover may take.

T N. SHAW, director of Industrial Relations of the Midwest Refining Company, Casper, Wyoming, stresses the financial question when he says:

I believe too little consideration has been given in the past to the financing of pension plans and believe that any plan should be so financially sound that even should the employer cease to do business, those who have earned the right to pension would receive it in accordance with the agreement during the employee's period of service. . .

As to the contributory or non-contributory plan of pension my mind is still open to conviction and I can see advantages in each, but I believe from my present enlightenment I lean towards the non-contributory. At least, I will say that the employer's contribution should be sufficient for the livelihood of employees who become pensioners, and that in a contributory plan the employees' contribution is excess, and permit luxuries in their old age that perhaps they could not have on the employer's contribution only.

As to carrying the liability with an insurance company, there are undoubtedly advantages and arguments on both sides. Our old line insurance companies are probably as strong financial institutions as we have, and a plan carried with them would guarantee pensioned employees an income regardless of the financial status of the employer, but to my mind, any plan which would not do that is not financially sound.

I believe that the character of the institution, of the individuals who are at the head of it, of the permanency of its business and products, and a number of such conditions have a great bearing on the advisability of one plan or the other.

MORE than one of the letter writers stresses the need of placing old age pensions from the standpoint of dollars and cents. H. S. Cripps, secretary of the Employees' Retirement System of the Atlantic Refining Company, has this to say:

Mr. Cowdrick's article in the June issue of NATION'S BUSINESS seems to drive home that there is a financial return to the employer by the retirement practice, and leaves in the proper place the thought that interest in old age prompts the retirement and payment of pensions.

The number of private pension plans and workers affected thereby is too insignificant in relation to all, as to warrant the humanitarian view, although it may be a secondary factor.



THE CHARLES A. COFFIN
MEDAL
awarded the Puget Sound Power
and Light Company, Seattle, Wash-
ington. A. W. Leonard, President.



for the
**"MOST DISTINGUISHED
 SERVICE"**
 to a Great Industry

The Charles A. Coffin Foundation Gold Medal, given annually to the company which has contributed most to the development of electric service, has been awarded for 1927 to the Puget Sound Power and Light Company.

Since the establishment of the fund six years ago, two Stone & Webster Companies, one railway and one light and power, have won the Coffin Award—the highest honor in the industry for excellence of operation.

STONE & WEBSTER
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Play the SILVER KING



"Look at Paul Davis redesigning the 4th hole. Zowie, he's moved that bunker twenty feet—digging his ball out with that spade mashie of his."

"The Foundation Company ought to make him an offer. He's wasting his time in the advertising business. One whiff of his mashie and it takes nature six months to catch up! I think the Green Committee ought to pass a law that he can't use anything but Silver Kings!"

"What! Let a born mole-killer loose at the best ball made?"

"Certainly. Why not? I've seen the King do wonders for many a man's game. It gives him confidence—he goes at it easily. He doesn't press for he knows the Silver King gets the distance. Golfing poise comes from confidence and to play the best ball made is one of the finest pieces of golfing psychology there is."

Silver King—
Reg. U. S. Pat. Off.



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JOHN WANAMAKER
NEW YORK

Wholesale Golf Distributors

NEW YORK BOSTON PHILADELPHIA
CHICAGO MEMPHIS LOS ANGELES

Which Road to the Consumer?

(Continued from page 40)

actually antagonistic. The product becomes a stepchild of the Trade—the dealer's good will is dissipated. High pressure sales methods are too expensive to continue—and the manufacturer alibis his failure to the wholesaler, who has diverted the attention of his retail friend to merchandise sold under stabilized methods and yielding a profit toll to the trade in handling.

You cannot escape that personal contact existing between wholesale distributor and retailer. Their acquaintance is of years' duration. Their friendship of wholesaler and retailer is built on confidence and mutual understanding. They stand ready to help one another.

Now I do not assert that there have not been successful cases of widespread distributorship or direct to retailer distribution. There are several successful instances, but they are the rare exception instead of the rule. And in these successful instances it generally is found that a terrific consumer demand has been established for a product by means of an enormous outlay of capital for mass advertising and at times these advertising appropriations are larger in a year than the entire gross sales of many successful producers. These are rare cases and out of reach of the average manufacturer.

It must be understood, also, that statements I make concerning approved distributing methods do not apply to policies adapted toward large chain and department stores, these sometimes involve features not herein discussed.

There are three types of Wholesale Distribution: Promiscuous, Exclusive and Selective.

The Easiest Way Out

PROMISCUOUS wholesale distribution has developed for several reasons. For one thing, many manufacturers do not yet have a clear light on the fact that there is a legal right in the selection of wholesale outlets. He may sell or decline to sell for any reason or for no reason.

It is hard for a manufacturer to turn down unsolicited business, even though he may suspect that it may not be good business in the long run. Indiscriminate sales are usually expensive to the seller.

This method of distributing has grown also through the granting of the wholesalers discount on quantity rather than for service. There is an erroneous idea that duplication of already adequate distribution will create sales. Usually the method just takes root with the manufacturer when he is growing and does not see a need for a definite sales policy. Later he finds that he cannot expect a continuity of wholesaler cooperation without a reasonable protection.

Through its duplicated effort, promiscuous distribution leads to just one result—waste. Several nationally known dental and toilet requisites have suffered

through such actions. Innumerable instances of branded goods which are losing the good will of the dealer because of this hit or miss selling policy might be cited.

Another method of getting products into the consumers' hands and homes is the Exclusive plan. The allotment of specific territory in which no other wholesaler can sell has proved tremendously successful with some manufacturers of specialties that demand a great deal of sales effort.

Under this plan, manufacturers enjoy an interest in, and support of, their product which has aided in making them leaders in their line. Of course, their sales jump.

Plan Leaves Weak Spots

THE weakness of the plan is in zoning. Some wholesalers fail to sell the distant margins of their allotted areas. Many manufacturers making quality lines distribute only on the exclusive method.

The leading cigars use the exclusive jobber method. La Palina is offered to the public by 300,000 retailers, who in turn are served by only 155 exclusive wholesalers. The story for El Producto and Dutch Master is much the same. Chancellor and Roi Tan get their tremendous spread of dealers through only about 75 wholesalers. The General Cigar Company has only about 60 branches, but the product reaches many thousand retailers. Many other lines are using the exclusive sales plan.

Selective Distribution means carefully chosen distributors, sufficient in number to give complete national coverage.

It means distributor's interest. It stabilizes sales methods, a long step toward killing the cut-price evil.

The distributor's identity and reputation are added to that of the manufacturer. It is like the second signature on a note. It is an endorsement of the product.

Distributors become real wholesalers. They appreciate the opportunity to make fair return on their investment.

The prosperity of the wholesaler is reflected in the progress of the manufacturer.

The Selective plan is growing in dry-goods and hardware as well as drugs.

In the drug line in the past three years two tooth-brush companies, Dr. West and Pro-phy-lac-tic, have practically monopolized the tooth brush business of the wholesaler under the adoption of this plan, using from 100 to 200 distributors. Trade-marked lines of rubber goods, stationery and leather goods have found this plan advantageous.

In 1861, a young pharmacist in Greencastle, Indiana, on hearing the call to arms turned the key in the locks of his newly acquired drug store and joined the colors. He became a distinguished soldier and rose to a colonelcy. Back in civilian life again he found the struggle for busi-

ness success even more trying than military life until, encouraged by a wholesale druggist, he became a manufacturer of drug-store prescription items.

The local wholesalers gave him his first market. They are still the loyal friends of this half-century old manufacturing concern, now enjoying international distribution and famed as one of the three largest institutions of its kind in the world.

Ask any corner druggist if he knows what the Lilly Policy means and he will tell you that this company supplies all its products through selected service wholesale druggists, that no shipments are made direct to the retail trade.

Eli Lilly and Company produce approximately 4,000 items of a technical nature for use by physicians. These are sold exclusively through selected wholesaler distributors. Lilly representatives do special promotion work with physicians. They also sell the retail drug trade, turning orders to the wholesaler. More than 2,600 wholesale salesmen supplement the Lilly salesmen's calls on the trade.

So nearly perfect is Lilly distribution that within 10 days a new scientific product can be made available to 57,000 druggists, 150,000 physicians and more than 115,000,000 persons. The practicability of this plan of distribution was demonstrated when Insulin the life-saving specific in diabetes, was marketed. Its advantages are made apparent regularly in epidemics of smallpox, diphtheria and scarlet fever.

Quick Delivery Important

SERVICE wholesalers are on the job with refrigerated supplies of Lilly antitoxins, serums and vaccines, ready to serve at a time when shipments from the distant manufacturers might mean hundreds of lives sacrificed. The Lilly Policy has served as a pattern to many another manufacturer.

The Graybar Company through its 60 branches and 600 salesmen and cataloging of 60,000 items uses the same plan.

The remarkable growth of Coty's perfumes in the last three years is attributed in part to adoption of this type of selling.

Even though a consumer is to be supplied by different types of retailers, the selective method can just as well apply through the proper selection of adequate distributors who will adhere to the manufacturer's sales policy.

The chief concern of business is now and in the near future will continue to be distribution. The waste of promiscuous distribution and duplicated effort must be eliminated. Market stabilization must have its inception with the manufacturer through the establishment of a definite sales policy which allows adequate compensation for distributors' services.

Much of the waste in distribution can be done away with through constructive cooperation between the manufacturer, his selected wholesaler and the retailer.



The mark of Hyatt Protection

Serving industry so well for 37 years has privileged Hyatt to symbolize the protection Hyatt Roller Bearings afford to the products which employ them.

Wherever they are applied the presence of Hyatts oftentimes is known only through the economies they effect. So this symbol was designed to visibly identify the inbuilt quality of Hyattized construction.

The Mark of Hyatt Protection now appears on many different types and makes of equipment. Seeing this mark, the buyer is reassured.

Perhaps your product needs Hyatt protection. Perhaps it would experience a more ready acceptance if equipped with these better bearings.

Without obligation to you, Hyatt engineers are available for conference—any time, anywhere.

HYATT ROLLER BEARING COMPANY

Newark Detroit Pittsburgh Chicago Oakland

HYATT

ROLLER BEARINGS

PRODUCT OF GENERAL MOTORS

Safeguard Your Property

Protect your industrial buildings from loss and damage by fire, lightning and weather. Metal makes the safest and most satisfactory roof. But there is a great difference in sheet metals. Make sure that you are supplied

Apollo

Galvanized

ROOFING

and Siding Products



Fireproof—Durable—Economical

Also made with KEYSTONE Copper Steel base, the alloy which gives maximum rust-resistance.

APOLLO-KEYSTONE Copper Steel Sheets are the highest quality sheets manufactured for roofing and siding, gutters, spouting, ventilators, and building construction purposes. KEYSTONE Copper Steel also excels for tanks, flumes, culverts, and similar uses, where long life and resistance to corrosion are important factors. Look for the KEYSTONE in trade mark.

For tin roofs for residences and public buildings, use Keystone Copper Steel Roofing Tin Plates.

This Company is the oldest and largest manufacturer of a complete line of Black and Galvanized Sheets, Full Finished Sheets, Automobile Sheets, and Special Sheets for all known uses; also Tin and Terne Plates adapted to every requirement. Sold by leading metal merchants. Write for ROOFING TIN and ANTI-CORROSION METAL booklets—they will prove of interest to you.

AMERICAN SHEET AND TIN PLATE COMPANY
General Offices: Frick Building, Pittsburgh, Pa.

AMERICAN SHEET STEEL

Products of QUALITY and Service!

When writing please mention Nation's Business

Japan's Lord of Printer's Ink

(Continued from page 25)

failed, due to the sickly state of health he was in. He returned home, and worked as assistant teacher at a primary school in his home town.

Later he entered the Normal School, which costs the student nothing, but entails the obligation to work as teacher for a number of years. In due course he was graduated and became a qualified teacher of a primary school. At the age of twenty-five he came to Tokyo, and attended a special session of lectures for middle-school teachers. Completing this course, he obtained a license as middle-school teacher.

Soon he was appointed teacher of Japanese and Chinese classics at a middle school in the far-off Luchu Islands, and here he worked for nearly three years. It was in these days of comparative prosperity that he sowed his wild oats. At thirty, he married his present wife, Mrs. Sae-ko Noma—a marriage made in a quite unconventional manner.

The principal of his school having occasion to visit Tokyo told him that he would bring back a wife for him, if he was willing, and Mr. Noma agreed, promising to marry whatever woman he brought. So the principal on his homeward journey stopped at Shikoku, and finding among the women teachers of a primary school one whom he thought would suit Mr. Noma, brought her to the Luchu Islands. The match proved fortunate, and both have evidently no cause to regret the step taken in the dark.

Thus Mr. Noma was apparently an out-and-out teacher, representing the third generation of teachers, and possessing a teacher-wife. They had not been married long before a voice came from Tokyo that he should come up to the capital to fill a vacancy as clerk in the Imperial University. At first they demurred, but the call was repeated, and they decided to say good-bye to Okinawa.

Prefers Journalism to Teaching

THAT was the beginning of the woes that landed them in their present prosperous state.

"Do you not regret that you left then," I asked, "or think that if you had remained a teacher of middle school, you might have discharged as significant a duty as you can ever hope to as publisher? Do you think you are happier now than you would have been if you had been a teacher all your life?"

It hardly seemed a polite question to ask, but it set him thinking. He pondered for a few minutes, and then in a chastened voice said: "On the whole I think I am happier than I should have been if I had remained a teacher. I might have left some mark as an educator, but it is doubtful. I had a restless soul, and as I think of it now, mine was not the temperament of a teacher.

"My present work I enjoy, and feel I am doing something good."

In Tokyo, Mr. and Mrs. Noma entered

a new phase of life. They took two small upstairs rooms in Shitaya. Every day he went to the Imperial University, and his wife to a primary school to teach, both earning sufficient for their common sustenance. Meantime, a fiery ambition was burning in his bosom, and it finally led him to his first enterprise, the publishing of Yuben.

He had all his life been a zealous student of the art of public speaking, and as he followed the course of political events in the capital, the conviction grew on him that one of the essentials of greatness in this era is the ability to speak well. With rapturous admiration he heard Okuma, Ozaki, and Inukai, and he became possessed of the idea that to produce eloquent speakers was his mission in life. The result was "Yuben."

So he left his clerkship behind, and rented a small house at Dangozaka, which was also the office of his new magazine.

Works with Youth

SUNNY days of incipient success followed. It was in these days that he saw the late Marquis Okuma, who gave him a piece of advice. Quoth the sage of Waseda: "The work of the Meiji Restoration was done by young men, and the future of Japan rests also on young men. Therefore, if you keep up your present spirit of working for and with young men, you will be a success." These words Mr. Noma will never forget. Among his employees there are over 350 workers on the boyish side of twenty.

Mr. Noma is, I think, the child of ambition and the apostle of greatness, and patriotism is his religion. Once in his Dangozaka days he looked with envy on the house of his landlord, and said to a friend: "One day I will live in a house like that." Today he has a beautiful home, one of the most notable residences at Otowa, where he lives, and two or three country houses besides, and he is one of the three or four largest taxpayers in Tokyo.

I asked Mr. Noma to tell me something about his business methods, especially about his employees, advertisements, and the payment of his numerous contributors, etc. His talk on advertisements and other matters connected with his magazine business was more or less technical, and much of it was beyond my comprehension.

"In the conduct of our business," he said, "we have three principles by which all of us, Dai-Nippon-Yubenkwai-Kodansha, are implicitly bound. They are taken from Chinese phraseology, and may seem hard to translate into English.

"The first is what we call 'Konzen-ittai,' which means more than 'perfect cooperation,' for literally it stands for 'one soul with diverse bodies'; the second is 'Seijitsu-kinben' that is, 'sincerity and perseverance,' and the third is 'Juwo-koryo,' which you may render into 'initiative and hard-thinking.'

"You have been pleased to call my

enterprise big and well-nigh impossible, and I verily think it would have been impossible if it were not for the invaluable help and cooperation that I enjoy at the hands of all my co-workers. In fact, I can defy any one in Japan or out of it to show me a firm or corporation where more complete harmony between employers and employees exists than in our workshop."

Mr. Noma went on to say: "In the every-day routine of our work, I generally observe my own methods based on personal experience, and I fear they differ widely from the orthodox practices followed by Western business men. Indeed, in every matter of practical import, I ignore book knowledge, simply because I do not possess it. When I started my first magazine, under my own management, I had had no experience; I knew nothing about printing, buying paper, etc., and paid dearly for the lack of experience. I merely paid what was demanded without asking questions.

"Now I find there is an art in buying all things, as in selling them.

Businesslike in Buying Copy

"AS FOR buying 'copy,' I am sorry that till a few years ago I left it more or less to the judgment of the editors, without method or study. Realizing the importance of this work, we have since formed a committee of appraisers whose duty it is to observe equity and fair play in paying for MSS. Rates necessarily differ according to writers and circumstances, but one of our rules is to pay more to older contributors.

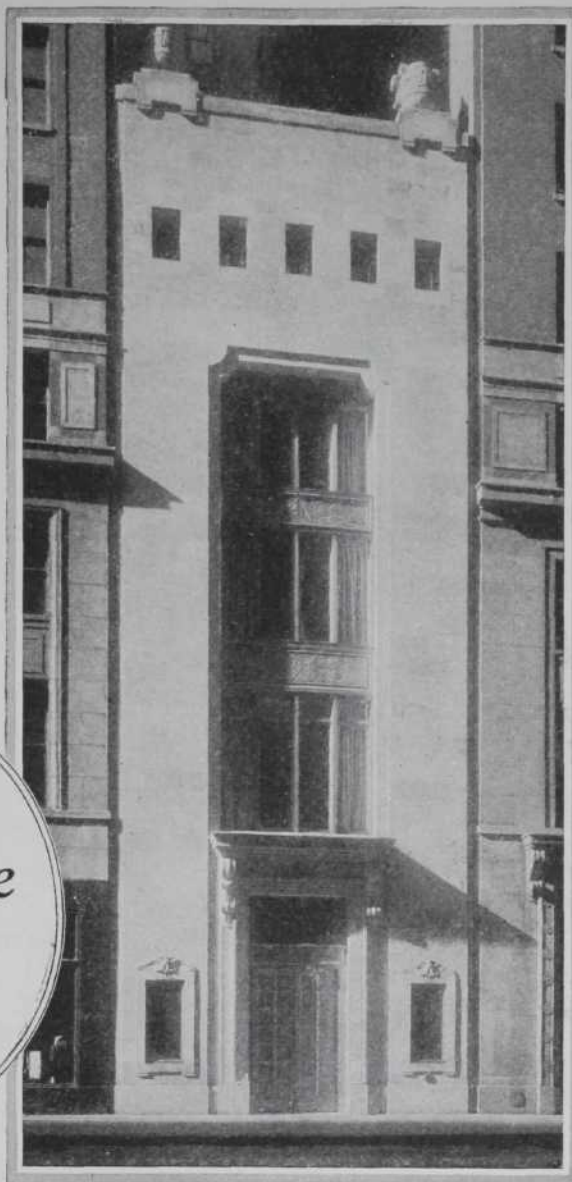
"Thanks to the study we have given to the problem, we have evolved a fairly systematic method in this difficult matter. We need such a tremendous amount of 'copy' that we must have a regular and abundant supply. We consider all MSS. carefully and buy them, if we think them good, though we may have no immediate use for them. Last year, for instance, we bought 100,000 yen worth of articles which, as you say, are 'buried from darkness to darkness.' Some of them may be published some day, but most will go to the limbo of unused MSS."

The first time I saw him at his Otowa home, a conference was about to open. Some forty men sat in the spacious hall next to his private room, and conference began at 3 p. m. As I was afterwards told, it lasted till next morning. All-night conferences are by no means rare in the Noma Cabinet.

Mr. Noma has never entered any one of the department stores on the Ginza, nor visited any one of the theaters in the city. He never stirs out of his house, except for occasional visits to his country houses, but like some huge uncanny spider he sits on his web, spinning plans and maturing schemes!

Mr. Noma has his enemies, as may be supposed; he has received in his time daggers and coffins from unknown sources. So he makes Mrs. Noma privy to all affairs in his business and personal intercourse, lest, as he says, he may die any time, and leave his wife in the dark.

Indiana Limestone Wins Again



National American Building, 340 Madison Ave., New York City. Joseph H. Freedlander, Architect. Awarded First Prize by Fifth Avenue Association for best new building erected in 1927

NEW YORK CITY'S most coveted building prize, awarded by the Fifth Avenue Association, was won in 1927 by the artistic structure pictured here. Indiana Limestone was the material used for facing the walls, and, as the photograph shows, played no small part in making most effective the architect's design. In 1926, the Fifth Avenue Association's gold medal went to the Aeolian Building, another Indiana Limestone project.

It is significant that not only in New York City but elsewhere, a majority of the prize-winning buildings have walls faced with this beautiful, light-colored natural stone from southern Indiana. Indiana Limestone structures return high dividends to

their owners. Tenants are easier to get because people like to live and work in what are generally recognized to be the most artistic buildings.

Walls of Indiana Limestone require little or no upkeep. And builders often find that financing an Indiana Limestone project is simplified because bankers and mortgage firms regard with favor the permanence of stone construction.

Modern methods make Indiana Limestone moderate in cost and entirely practicable for all sorts of medium-priced buildings. We will gladly send you an illustrated booklet showing various types of Indiana Limestone buildings. Or a booklet showing residences if you prefer. Address Box 740, Service Bureau, Bedford, Indiana.

Indiana Limestone Company

General Offices: Bedford, Indiana

Executive Offices: Tribune Tower, Chicago

When writing to INDIANA LIMESTONE COMPANY please mention *Nation's Business*

What of the Small Factory?

By ALEXANDER ALEXANDER

President, National Gum and Mica Company, New York, N. Y.

IS THE small factory doomed? Can the little fellow keep on his feet in these days of overwhelming competition?

These are questions not easy to answer. It is not even easy to find out to what extent the small business is disappearing, even though our daily newspapers and our trade periodicals are full of reports of combinations and mergers and even though our eyes are constantly dazzled by reports of the income and earnings of such giants as U. S. Steel and General Motors and American Telephone and Telegraph.

If anyone wishes to believe that the small factory is disappearing he can find comfort in the figures drawn from the biennial census of manufactures.

There he will find that in 1914, 81 per cent of our factories produced less than \$100,000 in value, and that in 1925 but 66.6 per cent of our factories were in the class under \$100,000.

Here is a table that gives the picture as the census of manufactures sees it:

Value of Product	1914	1925
\$5,000 to \$20,000	49	29.8
20,000 to 100,000	31.9	36.8
100,000 to 500,000	14.5	22.5
500,000 to 1,000,000	2.4	5.2
1,000,000 and over..	2.1	5.6
	99.9	99.9

These census figures are open to criticism, as changes in price levels have altered vastly from 1914 to 1925.

If we turn from the census of manufactures to the statistics of income returns, we get a somewhat different picture. The number of corporations reporting their income (and deficits) for 1920 was 345,595. In 1925 it had increased to 430,072. Manufacturing companies made 78,171 reports in 1920 and 88,684 in 1925. But it is worth noting that the 541 corporations which reported incomes of a million or more furnished about 70 per cent of the net income of the country's corporations.

One more figure which may help to show the relative importance of big and little producers:

The National Industrial Conference Board says that on the basis of the 1925 figure it takes only about one-third the number of all manufacturing plants to turn out nine-tenths in value of all products and that this one-third employs nearly nine-tenths of all the wage earners.

Figures grow wearisome, but at least I think there is a justification for asking the question, "What chance has the small man in business today?"

Further, I believe there is justification in the answer:

"Just the same chance that he has always had."

The race is keener today, there are more people in it but the prizes are

to his business, and that personal element is highly important. He is less subject to pressure from other shareholders to increase, he is less driven to "go ahead" at any cost.

I have talked here about big and little businesses, but I should be hard put to draw a sharp line between the big and the little. Take my own company, for instance. With annual sales of several million dollars, we are as big as any other company in this line, or bigger, but if you put us alongside of General Motors, with its sales of nearly 1,000 million dollars, we don't seem very large. Are we big business or little?

I can't quite answer that question, but I do know that a small business making progress may be much bigger than a larger business standing still.

There are certain unchanging things that are as true today as they were yesterday. One of them is that management makes a business, large or small. It is perhaps true that the man with management ability has a better chance to put that ability to work in a small concern than in a big one.

It is not always easy, however, for the small concern to retain management skill, for big companies are ever on the alert to buy management ability and to pay big prices for it. More than one company has been bought by a larger company, not for its business, but for a man.

When it was reported that an offer of a million a year had been made to Gerard Swope, president of General Electric,

to take over the affairs of another concern, the general public may have gasped, but I doubt whether many men intimately in touch with business were surprised. They knew too well the value of management ability. And that value is sought not only at the head of the very big corporations, but in the factories and offices of smaller companies. But the man who is sought is not the man who is waiting for the lightning to strike; it is the man who is demonstrating his management ability on the job.

One advantage accruing, I believe, to the advantage of the small business man is often overlooked. He has a tremendous chance to build up the best kind of relations with his employees; he can, if he has that gift of management of which

QUOTABLE QUOTES of the Month

THE LEADING BANKERS of the coming years are bound to be leading sociologists as well as leading international influences.

H. G. WELLS,
British Writer.

OUR FOREIGN LENDINGS have resulted from efficient production and constant economy—the only true source of capital in the world.

E. H. H. SIMMONS,
President, N. Y. Stock Exchange.

ARBITRATION IS THE transition from rows to referees.

WILL H. HAYS,
President, Motion Picture Producers, Inc.

I WISH TO FILE my complete dissent to the proposition that the value of the American college is to be fairly judged on the basis of whether it enhances the prosperity of the country or not. I wish to dispute categorically the theory that it is the function of the college to make business successful.

ERNEST N. HOPKINS,
President, Dartmouth College.

greater. The same relative conditions exist that existed at any time in the past. The basic factors that make for success now are the very ones that made for success in our fathers' day.

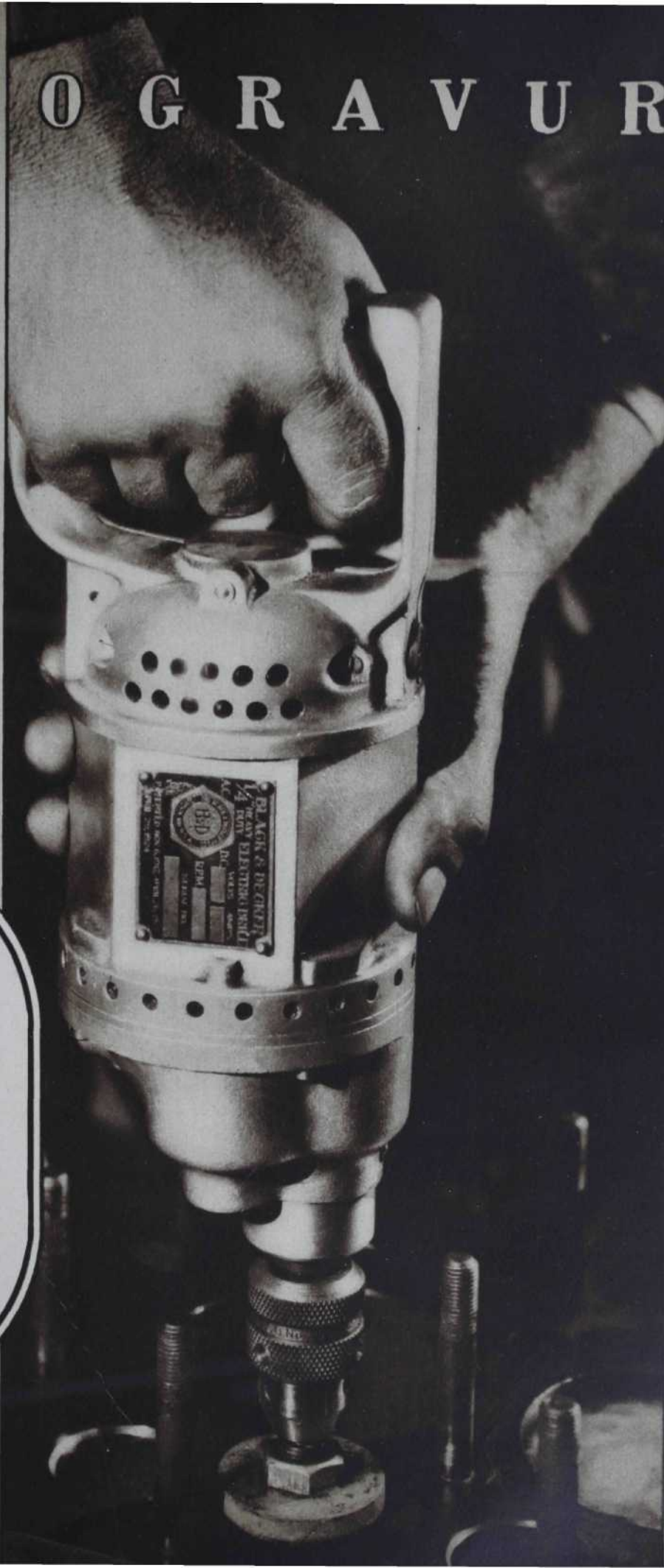
The measure after all of success is not size but progress, and progress not necessarily in volume but in profits. A banker said to me not long ago:

"Time and again men come to me and present statements of their business. 'Look,' they say, 'how our sales have increased.' I do look and I look a little farther and I find that the increase in profits has not kept up with the increase in volume."

And right there is one asset which the small man has and which he can capitalize. He can give close personal attention

R O T O G R A V U R E

Whether for magazines, newspapers or catalogs, rotogravure is the process for perfect reproduction of a photograph of your product. It permits even the emphasis to fall upon your product though it be shown with other articles. Notice how Lazarnick, the photographer, lighted this Black & Decker drill to give it dominance in a realistic scene.



YOU Can Use ROTOGRAVURE

The use of rotogravure for advertising is most evident in newspapers. Eighty-six newspapers in North America publish rotogravure sections. Seventy-six of them use Rotoplate, one of the rotogravure papers developed by Kimberly-Clark Company. ¶ But rotogravure advertising is by no means restricted to newspapers. Many magazines use rotogravure inserts—often printed on Primoplate, another Kimberly-Clark rotogravure paper. ¶ And there are millions of catalogs, broadsides and circulars printed every year on other Kimberly-Clark papers—not infrequently on Servoplate. Orders for single editions of catalogs may run as high as 200 tons. ¶ Then there

is the package insert—light and inexpensive, but of importance. Probably hundreds of millions are printed in rotogravure every year on Kimberly-Clark Company's Hyloplate—because of its low cost quality. ¶ Printing quality is characteristic of all these papers. They are opaque. The surfaces are uniform. They have the proper affinity for correct inks. They print satisfactorily on both rotary and sheet fed presses. ¶ Our book—The A B C of Rotogravure—may give you some new ideas about your advertising. Let us send you the book and let us answer also any specific questions that you may have about either rotogravure printing or paper.

Kimberly-Clark Company

Established 1872

Neenah, Wisconsin

New York
51 Chambers Street

Chicago
208 S. La Salle Street

Los Angeles
Associated Realty Building

I have been talking, inspire a good spirit among his workers which will be a tremendous asset and which can be less easily developed in the larger organization. The personal contact is worth bushels of house organs and inspirational wall cards.

Some twenty years ago I talked with a very able business man who had just about cornered the world's coffee crop. He was talking about the difficulty in getting capable lieutenants to carry out his orders and about one man in particular who, at my suggestion, he had considered.

"He's an honest man, but stupid," was his conclusion, "and I had rather have a crook who is not stupid than an honest man who is stupid. I can watch a crook but I can't do anything with a stupid man."

Personal Contact Valuable

WITHOUT going all the way with him in his preference for intelligence regardless of honesty, I at least think that his attitude helps to illustrate one advantage which the smaller business has, of keeping in closer touch with the human side of the industry.

That same close personal contact which is possible in a small business is valuable in one's relations with other things and other persons than workers. A man in a smaller business can keep his customers up to a high level. I started out to make quality merchandise and to sell only to the very best concerns from a credit standpoint. My thought was that if such concerns bought my goods that very fact would be a check on quality and price. With that type of buyer, price is not the only consideration. Quality does more to make one's permanent reputation than price, and it seems a simple truth that with labor as expensive as it is now there is very little to be gained by using cheaper materials.

There is one mistake which I think endangers many small business men and that is the yielding to the temptation to expand outside one's own business.

Most people have not time enough to attend to their own business and they certainly can never know too much about it. When a man thinks he knows all about his business, it's time he took a good long vacation, for he's worth more on the golf links than he is in his office or his factory. Every business must go ahead and it can't go ahead if its owner knows all there is to know about it. Not only must a business go ahead, it can't even stand still. If it doesn't go ahead, it goes backward, and it seems to me to be true that it goes backward faster than it ever went ahead. Rolling down hill is much quicker than climbing up.

I recall one bitter experience of my own with this temptation to seek expansion outside of my own business. I had a little more money than I apparently needed in my own business and I was talked into putting some money into a friend's. I thought it was an investment. It wasn't; it was a liability. In the first place, my friend came to me with his

OIL HEAT — AS BENEVOLENT AS SUNSHINE



Don't wait for winter —install oil heating NOW!

IF you are planning to install oil heating some time, why not do it now, and enjoy its advantages this winter?

What your automobile has meant to you in convenient transportation, your oil heater will mean in convenient heating comfort. Once you have experienced its advantages, you will wonder how you ever got along with any other heating method.

If oil heating did no more than free you from the coal shovel, that alone would make it worth your while; if it did nothing but relieve you of the dust and drudgery of ashes it would pay its own way. But in addition, it gives you wholesome, uniform automatic heat; it gives you an extra room in the basement; it provides a method of refueling at the curb as simply and easily as your car is refueled; and through its sensitive, automatic control it keeps the house at an even temperature not only during zero weather, but during the trying days of spring and autumn when it is very difficult to control a furnace fire.

The oil heating dealer in your community will be glad to advise you. He will inspect your present heating plant, or your plans if you are building, and give you estimates on an efficient and economical oil heating system.

For your guidance, the Oil Heating Institute has published a series of non-technical books, written by authorities on domestic oil heating. The coupon will bring you the book you want. Mail it today—and prepare to enjoy oil heat this fall and winter.

OIL HEATING INSTITUTE

420 Madison Avenue, New York

The Oil Heating Institute is prepared to furnish special information on the heating of churches, theatres, hotels, apartment houses and office buildings, and on the various heat treating processes of industry.



This is the Emblem of the
Oil Heating Institute

It is the symbol of satisfactory public service in oil heating.

Only the manufacturers who are members of the Oil Heating Institute are permitted to use it.

These manufacturers have earned their membership through the enthusiasm of thousands of home owners whom they have provided with efficient and dependable oil heat.

This emblem protects you, and it will be protected, on your behalf, by the Oil Heating Institute.

Check the book you want

MAIL
THE COUPON
TODAY!



OIL HEATING INSTITUTE	
420 MADISON AVE., N. Y. CITY	
Please send me, free of charge, the following information on oil heating equipment:	
Does it Pay to Install an Oil Heater?	
Are Oil Heaters Perfected?	
What About the Supply of Oil Fuel?	
Making Better Use of the Basement	
Name	State
Address	
City	

Paying 400 Years' Dividends

IN the sense of newly created opportunity, Pensacola, Florida, is the Industrial Frontier of America. The Frisco-Rock Island System has just secured its only seaboard terminal here on the South's finest harbor, completing the most vital rail pioneering of recent years, at a cost of \$11,000,000. This great development and the phenomenal growth of southern industry demand the utilization of Pensacola's advantages and strategic location by competitive industry.

The economics of transportation and manufacturing point to Pensacola as the outstanding development of the decade. As always, investors, manufacturers and merchants who follow closely the tide of economic advantage will profit through rising values, lower production costs, more efficient distribution.

Opportunities for investment, industrial development, and commercial exploitation are discovered in an exhaustive industrial and economic survey of 341 pages by the engineering firm of Parsons, Klapp, Brinckerhoff & Douglass. Copies of this unbiased index of cold facts on America's brand new industrial frontier are available. Price \$1.

**Industrial Board
PENSACOLA
FLORIDA**

When writing please mention Nation's Business

troubles and I found that I must take time and thought away from my own business in order to push the other along. Then again I found that it needed still more money.

I lost some of my own money in this business and I lost time too. Unquestionably the time I gave to the other business was reflected in the decreased progress in my own.

Balanced Growth Needed

THAT temptation to expand into something outside is apt to blind a man to the very real need of a considerable surplus in his own business. The cash that one puts by is better off in seasoned investments than in some other industry, and a surplus in buildings and machinery isn't worth much in an emergency.

A business ought not to grow too large in machinery and buildings. It should have a well-balanced growth. Personally, I have always felt that if I made a dollar, 50 per cent of it ought to go into a negotiable surplus, into quick assets. I would rather run a factory day and night and wear out the machinery a little quicker than to double the size of the plant.

It is true that night work and overtime generally are always more expensive and less desirable, but they are better than

having too much building and equipment before one is ready.

In all that I have said it is plain that after all ability and character are what count and whether a man puts them into his own small business or into some one else's big business, he will go ahead. I know of no way, however, of keeping those who lack ability and character from making the experiment and often with bad results not only to themselves but to others better fitted.

I talked the other day with a retailer who wanted help, and help with him, as is usual, meant money. It was plain that money would be as a permanent investment.

Retailing, and perhaps in a lesser degree, manufacturing are filled with men who lack the sound business ability to succeed and yet who furnish ruinous competition to their able rivals.

But there is no solution to this situation save as bitter experience weeds out the unfit.

I should be the last to deny to every man the opportunity to try, but I do feel that, however much we may think big business is growing at the expense of little business, there is still a place for the little man—the man who starts from small beginnings and goes on and not the man who stands still.

"It's What's Back of Us that Counts"

(Continued from page 27)

promised to pay one hundred francs to more people than it can pay. The people know that there is not enough money or credit in the bank to pay all these hundred-franc-notes—not at twenty dollars apiece. They know, in fact, at the present moment, that if you and all your hundred-franc sisters, and your thousand-franc big brothers were to be turned in at once that only one-fifth of them could be paid—at twenty cents a franc. So they take you and pass you and use you for one-fifth of twenty dollars—four dollars, or just what the actual resources behind you are worth.

"If those resources continued the same and twice as many of you and your sisters were issued, you'd be worth two dollars instead of four. And so on. Is it plain?"

"Ah, oui, monsieur. I see. I am too many in my family on a small income."

"Yah," came in the guttural voice of a thousand-mark German note. "Das ist recht. Should I not know, ven I haf seen how after the war efen ten-million-mark notes vass wort' almost noddings. Vot gut iss a bromise ven dere iss noddings to pay mit?"

"Sometimes," remarked the check book, "that kind of a promise is perfectly good. I've heard the president of the bank I represent quote old J. P. Morgan to the effect that character is the basis of credit. And if a man has established a character for honesty and re-

liability his promise may be good even if he hasn't the immediate resources to pay."

"What Fritzie says holds just the same," said the certified check, "because when a man has character he has something to pay with."

Character as Security

WHICH is what I was trying to point out when I said the security behind me was as solid as gold," the National Bank note reiterated. "If I'm not mistaken, there isn't any tangible property behind Uncle Sam's bonds. If he doesn't pay 'em you can't foreclose on the White House, attach the Navy, or garnishee the income tax.

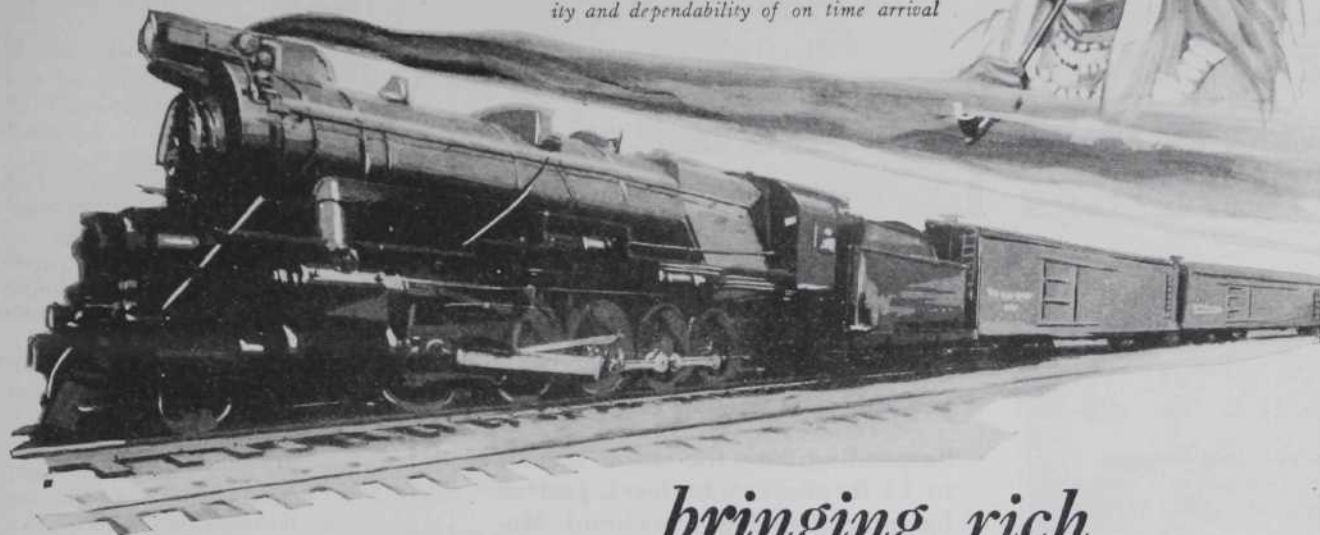
"What's behind 'em is the character of Uncle Sam; the fact that, though you can't slap a writ on his resources, or cart off the treasury building, he has the resources and you know he will use 'em to pay his debts and make good his promises. That's just as good as gold and doesn't take up space in the vaults."

"Right-o," interjected a pound note that the clerk laid down among them at this moment, "old John Bull has a pretty good character, too. He bally well brought me back from close to three dollars and a half to the good old traditional \$4.86."

"It took gold as well as character, though," protested the Double Eagle. "You can talk all you like about character and honesty and bank credit and all that,

"THE BIG SMOKE"

"THE BIG SMOKE" is one of the fleet of 61 named Pennsylvania freight trains that have set remarkable records for regularity and dependability of on time arrival



*bringing rich
cargoes from the Sunny South*

THE late Sir Walter Raleigh will be remembered as the big-hearted gentleman who cast his cloak over a mud puddle so that Queen Elizabeth might cross on dry land. Magnificent though this gesture was, it is transcended in importance by another of Sir Walter's accomplishments. This was the introduction to the white man of the pleasure of smoking.

Since then tobacco has taken the world by storm, or perhaps by smoke. And in order to satisfy the wide demand for the "weed" it is grown in many places throughout America.

* * *

A heavy volume of tobacco products from Virginia and North Carolina and merchandise and produce from the South Atlantic States as well travels

on "The Big Smoke." And every day at a regular hour this train pulls out of Columbus, Ohio, bound for Chicago.

During its run to the "Windy City," "The Big Smoke" is governed by a set schedule. And over a long period of time this schedule has been maintained regularly and dependably. Many months of reliable on time performance have established "The Big Smoke" as a favorite train with shippers of goods to the Chicago District.

* * *

Vigilant train crews, cooperating with hundreds of men at all points along the route, have piloted this train through on time. To their efforts is due the outstanding record for prompt arrival that "The Big Smoke" has established.

Shippers:

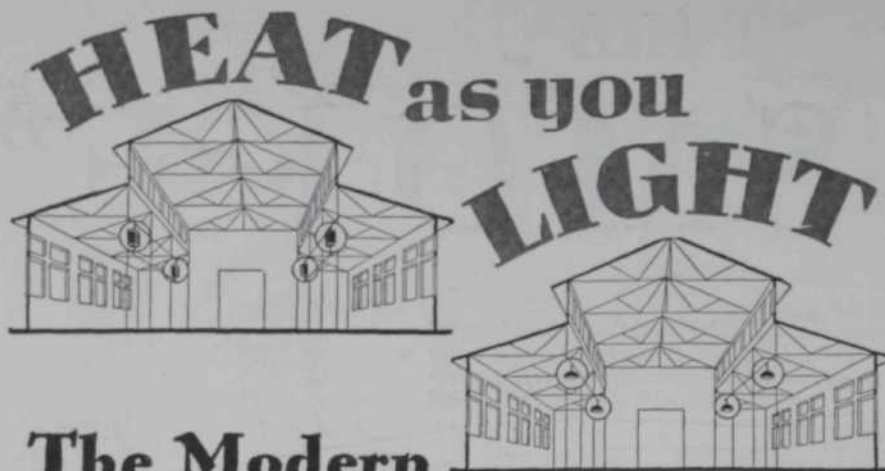
Are you giving the man who routes your freight the time and opportunity to effect the economies, which in many industries are considered the most important development since Mass Production?

The Industrial Traffic Managers of many organizations have been instrumental in the speeding up of turnover—in the reduction of inventories—and in the opening up of new territories to which improved freight transportation has given them access.

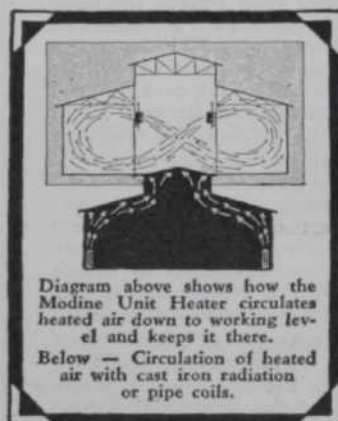
Such trains as "Man O'War" and other named Pennsylvania carriers are materially aiding the Industrial Traffic Managers in their constructive tasks of building business for their organizations.

PENNSYLVANIA RAILROAD

Carries more passengers, hauls more freight than any other railroad in America



Modine Unit Heater No. 701—
the equivalent of nearly 2
tons of cast iron radiation.



WHY not provide heating for your factory that is just as efficient as modern industrial lighting? The Modine Unit Heater gives you this new heating effectiveness.

Suspending from the steam line 10 to 14 ft. above floor level, just as lights are installed overhead, Modine Unit Heaters force heated air down over the entire floor area, insuring complete comfort to every worker. Each Modine is individually controlled, to be operated as temperature conditions require.

You wouldn't expect lights strung along the walls to properly illuminate a factory of large floor area — and particularly if such lights were undirected. Yet such lighting could be no more hopelessly ineffective than cast iron radiation or pipe coils that Modines are supplanting everywhere.

Install Modine Unit Heaters now and save on first cost, on operating cost. Let us send you complete facts.

MODINE MANUFACTURING CO.
(Heating Division)

1710 RACINE STREET RACINE, WIS.
Branch offices in all large cities
London Office—S. G. Leach & Co., 26-30 Artillery Lane

but if there aren't a good many representatives of what one of you called the aureate money aristocracy to give solidity to your currency—where are you?"

"Without intending to be impertinent or anything like that," the check book observed, "I do feel that I must call attention to the fact you lucre boys may possibly have overlooked, or do not happen to know—briefly, the fact that nine-tenths of business is done without you."

"How do you get that way?" queried the silver dollar. "Lookit the amount of money in circulation. Billions! Why, I see thousands of bills and coins for every check I meet."

Small Change Only

"YOU naturally would," replied the check book, "because you—with all due respect—are used mostly for small deals. Checks for a dollar aren't popular around banks or anywhere else. But from twenty bucks up how is most business done? Checks, brother, checks."

"They use you and some of your paper friends for paying carfare and buying flowers and new hats, but they pay their rent and buy their houses and automobiles with checks. For instance, a thousand-dollar bill is almost a curiosity, but a thousand-dollar check is a commonplace."

"Did you ever think that a man might deposit ten million dollars in a bank, use it to run his business, pay his help, pay his bills and buy stocks and bonds; he might borrow another ten million and use that, and never, from one year to another have even one lone dollar bill in his hands? Of course it wouldn't happen exactly that way, but it's quite possible."

"In other words business goes on credit, not cash. A check, a note, a mortgage, a stock or a bond is credit. And you real-money lads are only used to sorta pay balances with."

"Guess you're right, at that," said the dollar. "And when you come right down to it, all of us except Double Eagle, are a form of credit ourselves. We're like checks—only good so long as folks know we'll be paid when presented."

"That's the whole money question in a nutshell," said the twenty-dollar certificate. "Any kind of money is good money as long as people know they can get value for it. Aside from counterfeiting, I'd be just as good as I am if I were stamped TWENTY DOLLARS on a piece of tin—provided folks could get twenty dollars for me at the Treasury."

"That's why it isn't necessary actually to keep twenty dollars in the Treasury for every twenty-dollar bill that's circulating merrily about. Long's folks know the twenty will be paid, Uncle Sam doesn't have to pay it. Character, again."

"I had the floor," said the check, "until I was so rudely interrupted awhile ago. Continuing with my train of thought then, I want to point out that we checks have a further advantage over money—bills particularly. If one of your bills gets burned, good bye money! If one of us gets burnt or torn up—the

Modine

Unit HEATER

FOR STEAM, VAPOR, VACUUM, HOT WATER HEATING SYSTEMS



PROTECT CONCRETE with ZINC PIGMENT* PAINTS



It is basic economy to protect structural materials with the proper paints. Concrete, although one of the most durable of these, is no exception—to increase the life and preserve the value of concrete structures they should be painted.

Moisture can damage unpainted concrete as well as unpainted wooden structures. The exceedingly porous surface of unpainted concrete easily collects water, which causes crevices and chipped spots when it freezes. In some cases cracks are started which eventually become deeper.

Unpainted concrete collects dust and soot with great ease. Water will not dislodge this dirt from the pores, and a drab, discolored surface results. This is particularly objectionable for interiors, where maximum light reflection is such an important factor.

Oil paints containing *substantial proportions of zinc pigments** are being increasingly used to eliminate these objections. The smooth, durable, water-proof paint film closes the pores to moisture and dirt. Water cannot penetrate, but it can cleanse this film—it becomes an ally instead of a foe.

Paint manufacturers make paints in which *substantial proportions of zinc pigments**—zinc oxide and lithopone—are correctly combined with the proper oils and driers to meet varying industrial painting conditions. Because of their service they are the most economical paints you can buy.

Zinc Pigment Paints can be quickly and safely applied by the painting methods best adapted to the particular job.



The New Jersey Zinc Company

Since 1848 Manufacturers of Pigments of Quality for Manufacturers of Quality Paints

160 FRONT STREET, NEW YORK CITY

* Nationally used zinc pigments are The New Jersey Zinc Company's "XX" Zinc Oxide and "Albalith" Lithopone. Lithopone is a combination of ZINC Sulphide and Barium Sulphate. It is one of the whitest pigments known and contributes to smoothness of finish.

[COUPON]

Please send me full information about the value of ZINC PIGMENT PAINTS for the protection of concrete surfaces

Name..... Position.....
Company..... Address.....

NB-B-28

When writing to THE NEW JERSEY ZINC COMPANY please mention Nation's Business

THOSE all-important VITAL FIVE MINUTES

When fire shows its ugly head in your factory, the first five minutes count most.

What is done in those first vital moments often determines whether it is to be an insignificant blaze, or a prolonged burn out.

In fire's wake come many losses beyond immediate property damage. Interrupted progress. Lost customers. Scattering of trusted employees. Perhaps a long set back.

With 2½ gallon Phomene Fire Extinguishers placed at strategic points, you cut risks and give yourself an added feeling of security.



Approved by
Underwriters
Laboratories,
Inc.

Foam type extinguishers are especially recommended for fighting highly flammable liquid fires of all kinds. Supplied in 2½ gallon, also 10 and 40 gallon sizes (on wheels).

Approved by
Associated
Factory
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An Extinguisher For Every Fire Hazard

The Phomene Extinguisher is but one of many types made by us.

PYRENE MFG. CO.
NEWARK, NEW JERSEY

Branches:
Atlanta Chicago Kansas City
San Francisco

Pyrene Fire Equipment is sold through Auto Accessory, Hardware and Mill Supply jobbers and dealers.

Manufacturers of Fire Equipment since 1907

money's still there. Somebody merely writes another check."

"You said something about stocks and bonds awhile ago, sir," said the Double Eagle, by now quite friendly. "Having been leading, I'm afraid, a rather narrow and sheltered life in the Treasury, I don't think I know what they are."

"Well," said the check book, "it's simple enough, in a way, and then again not so simple. Generally speaking a bond has actual property behind it—the buildings and machinery of an industrial plant, or the actual lines and terminals of a railroad.

"A share of stock merely gives you a share in the business and good will, and a chance, if you're lucky, to participate in the profits. It's a kind of certificate of partnership in a business.

"But there are lots of bonds—good bonds, too, like Uncle Sam's or those of some cities; which haven't any tangible security behind them. They're merely a promise to pay. Lots of corporation bonds, gilt-edged ones, offer just about that kind of security, too. They're good because of the general prosperity of the business, its resources and its character.

"And there are all kinds of stocks, preferred and common, wildcat and house-broke. But they're all alike in the fact that they are not promises to pay at all—but shares in an enterprise.

Money as Bonds and Stocks

"I GUESS the chief difference is that bonds get first chance at what a business takes in, and the stocks pay a dividend out of what's left, if any."

"Applying it to money," suggested the twenty-dollar yellow-back, "I'm a bond with you," he indicated the Double Eagle, "as security. 'Reserve,' over here" (he meant the Federal Reserve note) "is a stock, because he's backed by the general resources of the country."

"Not so good," said the Reserve note. "I'm not a share in an enterprise, I'm a promise to pay. So I'm just as much a bond as you are, with different security. I'm a bond without interest."

"What's the use of gettin' all complicated up in finance this way?" asked the silver dollar. "Money isn't stock, and stock isn't money."

"The funny part of it is," said the dollar bill, "that if by money you mean something that is valuable of itself, then none of us is money but Double Eagle, Silverback and his little four-bit and two-bit and dime brothers. The rest of us are good for so much in trade because Uncle Sam or John Bull or somebody else says we're good—and can prove it."

"Chips in the world's great poker game, as good as the player and the money behind each stack and no better," said the silver dollar.

"Just mediums of exchange to save the bother of barter," added the Federal Reserve note, "and if Checkbook is right, and I guess he is, we do only a tenth of the exchanging at that. Still and all, we must have our charm. We seem to be welcome in almost any society."



CHANCE

The diver for pearls selects indiscriminately . . . no shells are labelled for his guidance . . . he must of necessity depend on chance. Modern industry, in pursuit of true efficiency, leaves nothing to chance in the selection of operating equipment or in details of production. **PEELLE Freight Elevator Doors** have reduced to a minimum the chances of risk and delay to men and freight for over 20 years.

Surveys for Executives

Executives who find the avoidance of chance delays and risks an important factor should write for a copy of an A. C. Nielsen Survey No. 101.

THE PEELLE COMPANY

Home Office and Factory: Brooklyn, N. Y.
Boston - Chicago - Cleveland - Philadelphia
and 30 other cities
In Canada: Toronto and Hamilton, Ont.

PEELLE Freight Elevator DOORS

["The Doorway of America's
Freight Elevator Traffic"]

Color—a Real Business Problem

(Continued from page 22)

somber office competitor; second, by allowing the expression of the owner's individuality; and third, by permitting him to match the decorations of his home or study, and thus make the typewriter to some degree a part of his decorative scheme.

Color is considered by most typewriter dealers to have stimulated the sale of portable models, particularly at holiday seasons, when the gift appeal is strongest. These same dealers, however, are skeptical of color as a sales stimulus for regulation office machines.

The granite cooking utensil is a fine example of a product revived by the use of color. Until colored kitchens became the vogue, graniteware was generally regarded a poor second to aluminum cooking utensils. The foresight of manufacturers in producing graniteware in tints has worked improvements in this condition.

More Color for Home

HOUSEFURNISHINGS dealers are being urged to exploit color aggressively by their trade magazines. *Hardware Age*, for example, has published special editions on the subject, filled with suggestions for display. This publication estimates that sales of colored wares, including electric appliances with colored handles, will quicken the turnover of dealers by \$26,000,000 in the current year.

An amount equal to this in increased sales is expected from the sale of colored kitchen accessories, in which are included brushing lacquers, linoleums, curtain poles, stools, stepladders, and the like. This means, in the opinion of *Hardware Age*, that color will this year bring \$2 per home in increased sales to every merchant who aggressively furthers the new movement.

One advantage of color which is everywhere recognized, is that it promotes the display of products in the dealer's store. A visit to the housefurnishing floor of a department store will show it to be a riot of yellows, blues, greens. Until color came upon the scene, housefurnishings departments were dull and miscellaneous places, and except for seasonable occasions, there was little opportunity to make interesting and attractive displays of refrigerators, ranges, washing machines and the like.

Now colored kitchen equipment gets into the show windows, and in many stores will be found model kitchens set up according to favorite color schemes. That there is distinct interest in color in housefurnishings practically all dealers agree; quite a number, however, are skeptical of the permanency of the demand for pronounced colors in articles like ranges and refrigerators.

There is coming to be a technique for displaying and merchandising colored wares, which the trade papers reflect in

Who buys the Night-watchman his new Sunday Suit?



HE works all night. He sleeps all day. Who, then, buys the night-watchman his new suit of clothes? The answer, probably, is—his wife. But don't think that he hasn't his own ideas on the kind of suit he wants!

Now, take your own case. You're at the office all day long. Who buys the cereal you eat, the rugs you walk on—and, every now and then, a shirt or a pair of pajamas? The answer is your wife. Do we hear you say, "But don't think for a minute that I haven't my own ideas—"

There you have it! Whether you are a night-watchman or a banker, the chances are you have but little time to make family purchases. But you do have a lot to say about what those purchases shall be. So does your son. So does your daughter.

Therefore leading advertisers consider magazines, which are read by *two or more* members of the family, to be the most effective and economical media. And since every test, of which we have record, proves *The American Magazine* overwhelmingly first in its combined reading by all the family, it is only natural that it should be considered of prime importance by leading advertisers.

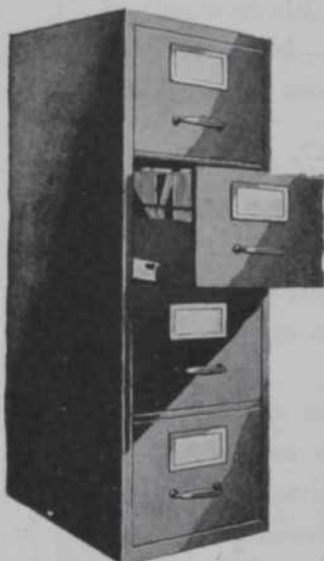
How 10,000 Families Buy Merchandise—

In 13 cities, 21 retailers asked 10,000 families how they buy 19 different kinds of merchandise ranging from ginger ale to automobiles. Those families reported that 66% of the purchases of those products were influenced by *two or more* members of the family.

That is why so many successful advertisers now use *The American Magazine*. For investigations indicate that *The American Magazine* has 3.6 readers per family in the 2,200,000 homes into which it goes.

The Crowell Publishing Company • New York City

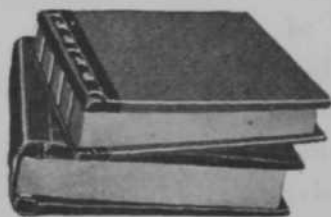
You can reduce overhead with proved methods



Library Bureau files and filing systems produce wanted papers quickly and with certainty.

At every point in the process of making and selling goods there is a need for records to control overhead. Whether your business is a small machine shop or a gigantic industry, a retail shop or a large store, there is a Remington Rand machine, or plan, to save you cost and time overhead in compiling these records and using them to reduce overhead . . . Let Kardex Visible chart your purchases—let Remington and Dalton machines do your bookkeeping—have Powers machines control the payment of your laborers, have them analyze statistical data of every kind with punched cards. Use Baker Vawter-Kalamazoo Loose-Leaf systems for all other active records. Safeguard all these valuable

documents with Safe-Cabinet. Organize them with Library Bureau equipment. Then you will find these products helping you to push ahead to greater sales volume at a greater profit . . . The reputation and scope of Remington Rand products—the savings they effect in management—these are powerful arguments for standardization . . . It is your individual problem that Remington Rand considers. The Remington Rand line is so varied that you are not asked to choose one method or one type of equipment. Whatever will serve your purpose most profitably—that is what Remington Rand offers you. Remington Rand Business Service Inc., Remington Rand Building, Buffalo, N. Y.



Baker Vawter-Kalamazoo loose-leaf systems are products of years of experience with accounting practice and its needs.



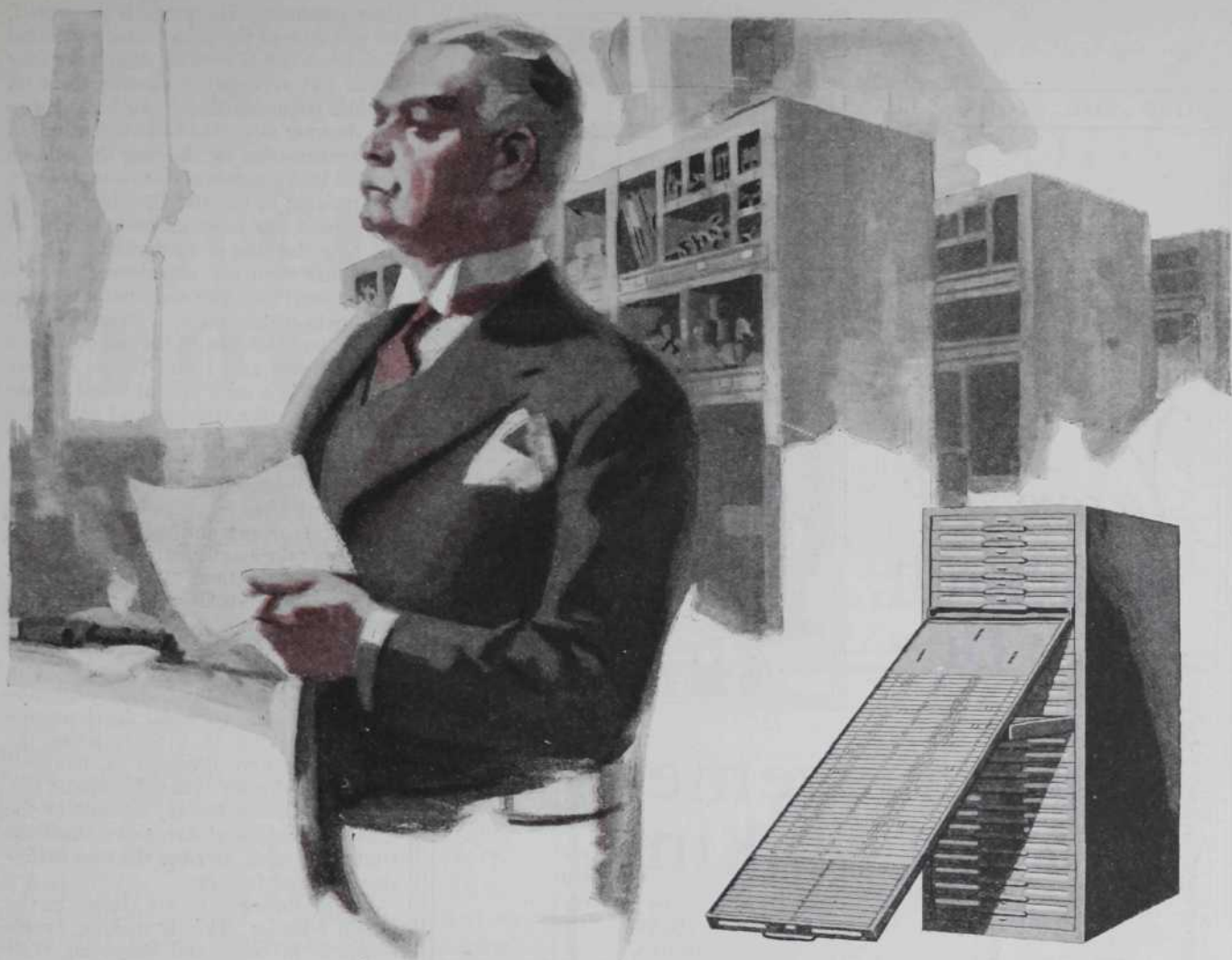
The Remington Accounting Machine is flexible. It adjusts itself to the needs of the business served.



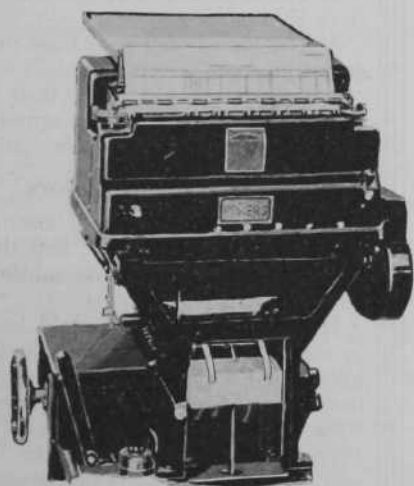
The Remington "Noiseless"—a factor in efficiency because it is in every way a superior machine and above all—quiet.

Remington

REMINGTON • KARDEX • SAFE-CABINET • DALTON • POWERS



The facts of business visualized—and interpreted visibly in the Kardex file.



Powers Punched card accounting and tabulating equipment handles numerical tabulations and statistical work with accuracy and speed.



The "Dalton" applies the touch system to mechanical calculations. It has a ten-character keyboard.



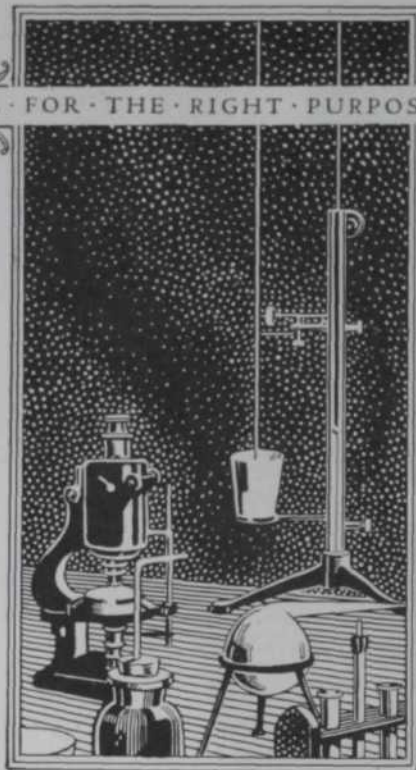
The Safe-Cabinet is protected filing. Valuable papers are freed from the menace of fire when Safe-Cabinets are used.

Rand BUSINESS SERVICE INC

KALAMAZOO • BAKER-VAWTER • LINE-A-TIME • LIBRARY BUREAU

USE · THE · RIGHT · STEEL · FOR · THE · RIGHT · PURPOSE

Years of Research have Developed this Achievement in Steel Making



HYMO Steel fills the wide gap between Bessemer screw stock and S. A. E. 1020 ---offering the combined qualities of these steels and avoiding all of their disadvantages.

For case hardened parts, it absorbs carbon faster than S. A. E. 1020, leaving a tougher and more ductile core.

The adoption of Hymo Steel has progressed to wide proportions throughout many industries.

UNION DRAWN STEEL CO. - Beaver Falls, Pa.

UNION DRAWN STEELS

their columns. The story is recounted, for instance, of the dealer who purchased a skeleton line of cooking utensils in four colors and arranged to display them on a white enameled table. To his surprise the showing attracted little attention, so he experimented by showing the articles against backgrounds of contrasting colors, determining in the end that black crepe paper was the most effective means of catching the eyes of customers.

"It has been my experience," asserts this dealer, "that you must not stress the utilities of colored ware. I stress 'a bright spot in your kitchen in harmony with its color scheme' and I find people quickly interested in a sales appeal based on the brightness, attractiveness and animation of colored ware."

Is the present interest in color a craze, or may it be expected to spread and last permanently?

Students of art and color in industry incline to take an affirmative stand in answering this question. The present color era is variously attributed to the growing wealth and leisure of the American people and to the technical and mechanical advancements which have been made in the use and compounding of pigments. Long before the technical developments in paint-making that characterize the present-day were dreamed of, however, we have had color cycles, historians say.

Henry Turner Bailey, director of the Cleveland School of Art, and a thorough student of color, ascribes the new enthusiasm to four factors:

1. The influence of art classes in the public schools. This is making people conscious of color, and improving their color taste.
2. The importation of new color ideas from Europe.
3. The educational work done by modern commercial advertising.
4. Improvement in public taste due to growing wealth, leisure and opportunity for interest in artistic matters.

The Cycle of Colors

THE COLOR trend will last, in the opinion of Mr. Bailey, and the tendency will be toward more subtle colors and color harmonies.

Interest in colors, we are told, has come in regularly recurring waves all through history. Every barbaric invasion has been followed by a quickened interest in color. There was a color revival after the Persian conquest of Egypt, the Roman conquest of Greece, the barbarian invasion of Rome. The newer and more primitive civilization has conquered the older civilization, only in the end to be conquered in turn by it. The primitive civilization stimulates interest in crude colors. It gives new life to art.

This is what is said to be happening in America today. The invasion of the Czech-Slovakians, Italians and other races from Southern Europe has stimulated interest in the primary colors. As these newer races are absorbed in American civilization, the crude colors favored today will grow softer, more subtle.

*A superlative new, moderately priced
Todd machine to serve every modern business*

The new

CENTURY PROTECTOGRAPH

STURDY, speedy and a revelation in convenience! Simple, perfect in performance, and amazingly easy to operate! Adaptable to practically every kind of business or personal document! Designed and built to Todd standards—finest materials, superior craftsmanship and exclusive features of design and construction developed by Todd in twenty-nine years' experience.

There never has been another check protector so entirely suitable to general business needs. Business offices, banks, industries, retail merchants, public utilities and other check users will find in this new Todd machine an instrument far superior to the ordinary moderate-priced check writer. It saves time with its extraordinary speed and easy visibility. It is better built, makes a better imprint, can be used with more variety of forms. Is sold at a price that makes it the greatest value ever offered in a check writer of moderate cost.

The only way to judge this remarkable new

Protectograph is to see it operate. Have a Todd representative demonstrate it in your office. Or mail us the coupon for further information. The Todd Company, *Protectograph Division*. (Est. 1899.) Rochester, N. Y. Sole makers of the *Protectograph*, *Super-Safety Checks* and *Todd Greenbac Checks*.



Features of the new Century Protectograph

1. Finely balanced working parts give remarkable speed and ease of operation. Handle can be operated with one finger.
2. Greater visibility—indicators can be set with amazing speed and accuracy.
3. An exceptionally clear, deeply shredded two-color imprint.
4. Prefix character is interchangeable. Can be made to read "Exactly," "Certified," "Paid," or can be replaced by individual name or indemnity number.
5. Easily adapted to take checks of all description—single, voucher, in sheets, small payroll and dividend. Can be used for certifying, receipts, stock certificates, partial payment forms, price tags, refund slips, drafts, all negotiable instruments, practically any business or personal document that must be amount-written.
6. The payee line can be crimped, if desired.
7. Built throughout of special metals, with all working parts hardened and ground. Has superior inking facilities.
8. Unusually attractive in appearance, finished in nickel and two colors of enamel.
9. Three models: Seven bank, eight bank, and nine bank.
10. Embodies all Todd superiorities developed through twenty-nine years of experience, but is surprisingly low-priced.

THE TODD COMPANY
Protectograph Division
1130 University Ave., Rochester, N. Y.

8-28

Please send me further information about the new Century Protectograph.

Name _____

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Business _____

Price: \$87.50 plus transportation (higher in Canada). Other Protectograph models from \$22.50 to \$425. Liberal time payments. Used machines accepted in partial exchange.

TODD SYSTEM OF CHECK PROTECTION



moving your plant?
opening a branch?



This

**FREE book brings
vital facts you need**

WHERE TO LOCATE? What city offers most profit advantages? It's a problem! But this common-sense book will help you decide.

Get this Book! "5 Great Advantages" gives you significant facts—basic information. This 32-page book is sponsored by men who know your problems—active executives of Erie firms. Chapter heads reflect its practical worth—"Rich Market Close to Erie", "Swift Deliveries", "Raw Materials Near", "Intelligent Workers."

It's Free! Here are the results of months of investigation and study—boiled down to pocket size. Get the facts. Mail the coupon!

ERIE
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Erie, Penna.

Date _____

Please send a copy of your booklet "5 Great Advantages."

Name _____

Firm _____

Address _____

N. B. 8-28

Mind Your Own Business

(Continued from page 20)

ductive inventory (the total less the inventory of finished cars) the turnover rose to 10.6 times, 50 per cent better than the previous record. This gives the company a better capital turnover, allows a bigger volume of business on the same capital and permits a smaller profit per car and better prices to the consumer, while the proper return on the investment is maintained.

Yes, all this does take a lot of figures and charts and planning and thinking. All the romance and adventure are out of this business—very little seems to be left to chance. Yet this company, which can better afford to take chances than almost any other, takes no chances at all about its profits even with this system of control. Perhaps that is why it is today one of the biggest profit-makers in the United States.

Priced to Produce Dividends

IN SETTING the prices for its cars, the company first decides on the average rate of return it should receive over a long term, consistent with a sound growth; the rate of plant operation under different conditions is determined and from this a standard volume is calculated; and from these elements the standard price is determined—and the actual price differs from this only if the executives can give a good reason why.

On this basis, an estimate is made of earnings, capital required and return on investment for a whole year. Each month a balance sheet and income account is actually forecast in detail for each of the next four months. And every day, to check it up, there is an actual balance sheet and income account of the business!

"It is easy for the big corporations to control costs. They can name their own terms and if they don't like them, they can produce their own raw materials. They can make all the supplies they need and keep the profits." The idea of branching out into the production of raw materials and supplies, like the branching out of the manufacturer into distribution, is a very attractive adventure in the new competition. Subsidiary manufacturing companies, mergers, new departments—all offer cheerful prospects of expansion, of independence of other industries, of lower costs and bigger profit margins.

Unfortunately there are some economic factors which are overlooked and which show their nasty heads too late. One company, which manufactures sewing machines and various types of seating equipment for schools, theaters, etc., maintained its own plant for the manufacturing of varnish, which it uses in large quantities. After a careful study it gave up the plant—leased it—and bought its varnish from the lessee.

The company found that it saved money and got a better product. If it had continued the plant, it would have had to

**A
HELPFUL
FACT
when
buying
a golf ball**

**More golfers play
a Dunlop than any other
make of fine golf ball. This is
evidence that in a Dunlop
they find qualities pos-
sessed by no other ball.**



**With a Dunlop on the
tee, the combination
of every advantage that
can be gained in a ball
is yours.**



**THE \$1
IMPORTED BLACK
DUNLOP**

increase volume beyond its own needs and hire a force of varnish salesmen. The same company found it profitable to get out of the glue business and sell the timber lands it owned. And by closely co-operating with vendors it is getting better deliveries, cutting storage costs, backing up its six months advance sales program and cutting its inventory from \$4,000,000 to \$1,500,000.

An automobile manufacturer, who was buying certain castings at 10 to 14 cents a pound, installed his own foundry—and is now sadly producing the same castings at a cost of 65 cents a pound.

Apparently the simple arithmetic of "making your own" becomes too complicated in actual practice. It is possible for almost any business to "stick to its last," and cut costs.

The textile finishing business, for instance, has for a long time been one of the spots referred to in the phrase "spotty business conditions." It is a service business, dependent on the manufacturers—plant capacity is excessive, competition is keen and it is a business in which an eighth of a cent on a price may make the difference between profit and loss.

Standardization Helps

ONE company, with an established reputation for quality, grew tired of fighting prices and losing money and decided to cut costs and develop new processes. It called in a consulting mechanical engineer. It was found that in many cases results of various processes were uncertain and there was a big element of chance in whether a finish could be duplicated successfully. Every step in these processes was studied and standardized. Costly spoilage was eliminated. An improved process for a broadcloth finish was developed which not only gave a better lustre, but, through the use of a new device on one of the machines, the yardage of the cloth was actually increased by 3 to 4 per cent!

"The high cost of supplies" is a popular alibi for low profits. This finishing company's chemical engineer found that the plant uses more than \$35,000 worth of caustic soda a year for bleaching and other purposes. Almost all of it was thrown away after use, although some methods of recovery had been tried.

Study proved that elaborate treatment was unnecessary and that a simple filtration and evaporation process at certain stages could save at least \$15,000 a year, and, by using exhaust steam which was being wasted, even more could be recovered. In the vat dyeing department there was a large and apparently unavoidable loss of expensive dyes and customers' cloth because of unexpected variations in shade of the dyed material. The reasons were carefully studied and some new inexpensive equipment made it possible to control colors and save the waste.

Worse than the troubles of any manufacturer is the plight of those in the mining industry who find their mines being depleted. One copper company found its main ore body approaching early exhaus-

Accidents do not "Happen" They are Caused

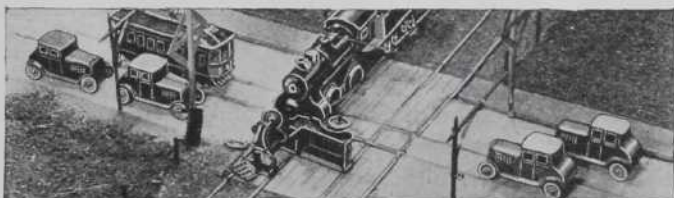


The American Mutual has studied operating conditions of truck fleets that have averaged one accident every 4000 miles. Our engineers have improved these records... some of these



fleets average one accident every 150,000 miles.

Our experience in handling thousands of cases has taught us that 90% of all accidents can be avoided. We have explained the principles of



safe driving in a booklet which should help you and your driver... write for "The Man at the Wheel"... just fill out the coupon below.

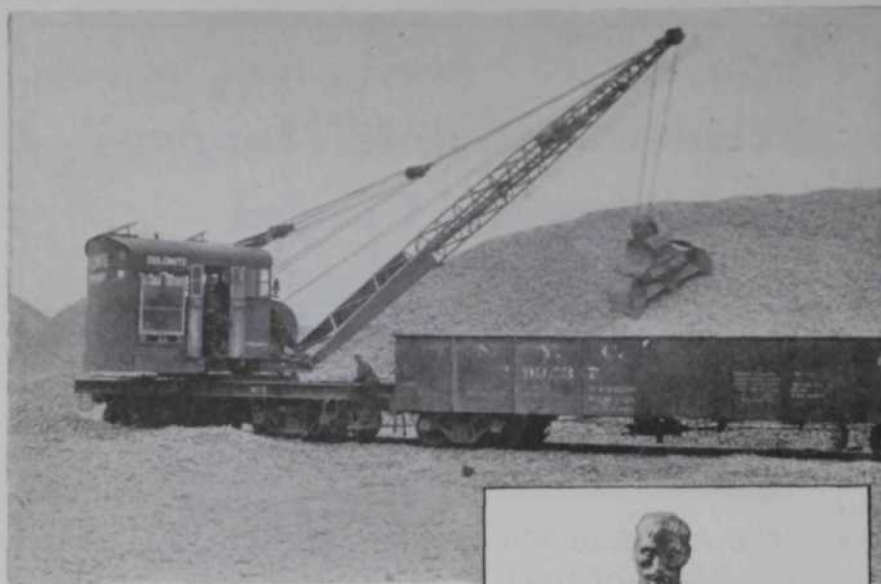
Never less than 20% Dividends since 1887



AMERICAN MUTUAL

Workmen's Compensation
and Automobile Insurance

Send this coupon for "The Man at the Wheel"
To the American Mutual Liability Insurance Co.
142 Berkeley Street Boston
Please send me your booklet "The Man at the Wheel"
Make of car _____ Year _____ Model _____
My insurance expires _____
Name _____ Address _____



Gasoline operated 25 ton capacity,
8 wheel Locomotive Crane



Man is not a machine

---but a consistently high degree of efficiency and output is expected of him while inadequate and partially obsolete machinery is frequently retained year after year.

Why not set the same high standard for your material handling performance that you do for your employees? An Industrial Brownhoist crane on crawlers or railroad trucks will do just that and keep on doing it for many years to come.

May we explain to you the ready adaptability of these cranes to all kinds of handling work and the time and money savings they are effecting in thousands of plants? There is a size and type for every purpose.

Industrial Brownhoist Corporation

General Offices: Cleveland, Ohio

District Offices: New York, Philadelphia, Pittsburgh, Detroit, Chicago,
San Francisco, New Orleans.



"The Laborer," from
the bronze by
Max Kalish

tion a few years ago. It had to begin mining its low grade ore or quit—and mine it at a much lower cost or lose money.

The chief engineer studied all the facts, carefully investigated the nature and location of the ore and went into "the silences." He came out with a plan to change the system of operation entirely, applying modern management methods. Applying management control in a nice clean bright factory is discouragingly different from applying it in an ore body 300 feet deep and overlaid by 250 to 500 feet of useless capping.

Operations were performed on a predetermined schedule; a system was devised of distributing men at different stages of the work so that the best man for each type was used while the total force was kept almost constant. The ore to be taken from each chute was estimated in advance and checked up each day. As a result, where only 6,600 tons of high grade ore a day were produced before, the new system produced 10,000 to 12,000 tons per day at reduced cost. The average tonnage per man underground was increased to 28.2 tons a day and the total mining cost was only a little over 38 cents a ton!

"Well, it's all right for producers, but what can distributors do? What chance has the wholesaler in the new competition?" It may still be possible for the wholesalers to do something besides go out of business or cry for discriminatory legislation against the chain stores. One grocery wholesaler has signed up a number of independent retailers to buy all their needs from him. The stores have been given a distinctive name and appearance and advertising is being done for the stores as a group. The stores have been helped to improve their methods in competition with the chain stores—they are making money—and so is the wholesaler!

Complementary Products

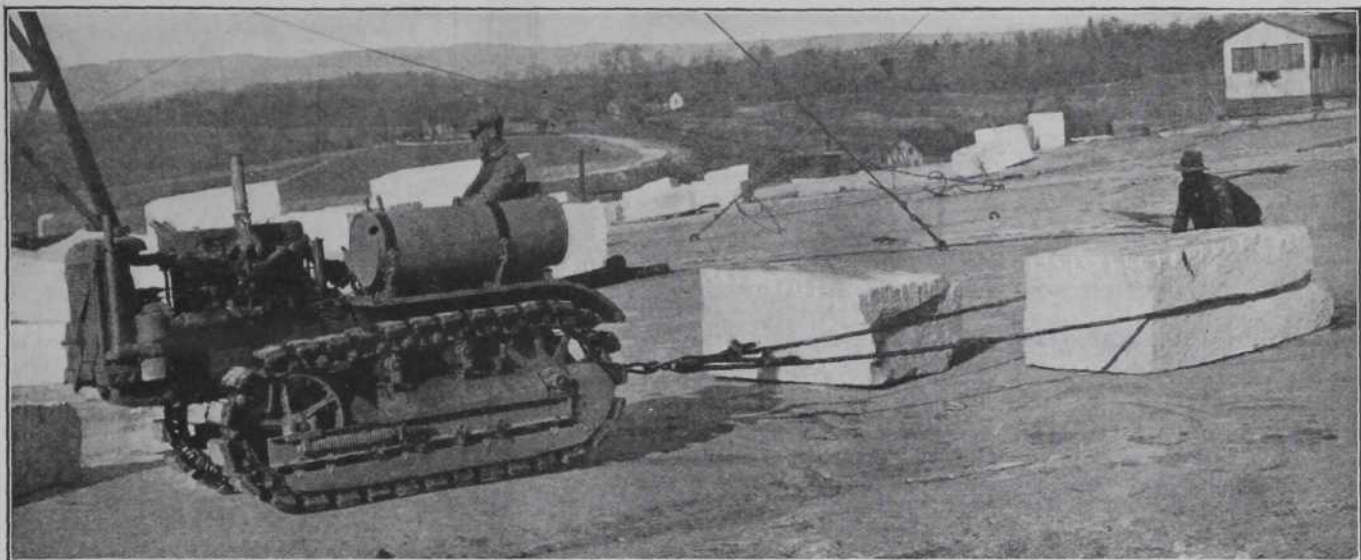
RADIO and wholesaling—what could be more uncertain a combination? One radio wholesaler decided to make money instead of losing it during the summer slump. He went to a manufacturer of outboard motors and asked to represent him—these motors naturally sell in exactly the period when radio sets do not. But the motor manufacturer was selling direct—why should he put a wholesaler in between himself and his market and cut his margins? The radio man persisted and proved that, because of the nature of the business and the inefficiency of outlets, direct selling costs were too high. P. S.—He got the job—and N. B.—he is making money for himself and the manufacturer.

Enough stories—what is the moral? There is no moral and as long as business men insist on some simple shortcut for solving all their problems the problems will remain unsolved. For some businesses the answer may be in going into raw material production or direct selling—in others, such courses may be fatal.

If we must have a formula for success,

INDUSTRIAL BROWNHOIST

Saving Men... Money... Minutes



"Caterpillar" Tractors do the heavy jobs around quarry or gravel plant, as you'd expect. ☞ And they do the light jobs, too, nimbly, quickly! ☞ Balanced traction and power, broad tracks of heat-treated steel that's slow to wear, a rugged constitution, for all these things remember the "Caterpillar".

SIXTY - \$4600
THIRTY - \$2650
TWENTY \$2175

F.O.B. SAN LEANDRO
OR PEORIA

2-TON - \$1675
F.O.B. PEORIA

CATERPILLAR TRACTOR CO.

Executive Offices: San Leandro, California, U.S. A.

Sales Offices and Factories:

Peoria, Illinois San Leandro, California

Distributing Warehouse: Albany, N. Y.

New York Office: 50 Church Street

Successor to

BEST C. L. Best The Holt Manufac- HOLT
Tractor Co. turing Company

Equipped with rubber tracks, the North Carolina Granite Corporation's Thirty snakes dimension stone at Mount Airy

CATERPILLAR

REG U S PAT OFF.

T R A C T O R



History or Romance?

A history of earnings which does not indicate the manner in which fixed charges against property, depreciation and maintenance were treated is likely to be merely a historical romance. Rewritten with the facts supplied by American Appraisal Service, it becomes a history of the truth.

THE AMERICAN APPRAISAL COMPANY

A NATIONAL ORGANIZATION

let it be research, forecasting, budgeting, control, cooperation with vendors and cooperation with distributors.

The answer to the new competition may be the new cooperation, mergers and trade associations. Mergers are supposed to make a business more efficient—and sometimes they do. But a business can make itself more efficient without a merger. A trade association cannot solve all the problems of an industry—it cannot lift an industry by its bootstraps. If, instead of fighting his competitors, each member of a trade association devoted his time to improving his own business, every trade association in the country would be a success!

For almost every problem of almost every individual business there is a solution—and somewhere it has already been successfully worked out. And the secret of success is usually not secret—the most successful business men are often the best sharers.

Business Should Be Studied

THERE are the details of practical and successful solutions to hundreds of business problems being studied by our universities—hundreds are in the files of such organizations as the American Management Association. A little search may find exactly the answer to the most difficult problem. Six months' study of a business by an "outsider"—a good consulting engineer or management man—may reveal the profits you are now mourning.

If every business man stopped trying to match his competitors' tactics or beating them at their own game, the Federal Trade Commission could go off on a long vacation and beautifully illuminated codes of ethics could stay in the trade associations' stockrooms. If every business man stopped listening to his salesmen and set his price to make a profit, making sure that he was producing as efficiently and economically as possible, there would be no fear of price-fixing groups—and "red ink" prosperity would turn to black.

What a revolution it would be in American business if every executive would sacrifice just one "conference" of his many each week to a conference with himself! Behind locked doors, with strict instructions to the telephone operator and the office boy—with a pad of paper and without a cigar—all over this broad land—each business man devoting an hour to his own business. Not an hour of brooding but of thinking—not watching the other fellow, but minding his own business.

If we must add another national week to the 739 we are already celebrating each year (not including Father's Day) let us dedicate a day to each of the following principles: "Research" Day, "Planning" Day, "Ethics Begin at Home" Day, "Little Thoughts" Day, "Think of the People From Whom You Buy" Day, "Think of the People to Whom You Sell" Day, "Don't Think of Your Competitor" Day. Let us in this way celebrate "Mind Your Own Business" Week!

39 consecutive issues of NATION'S BUSINESS to keep you informed of every important trend in business until September, 1931!

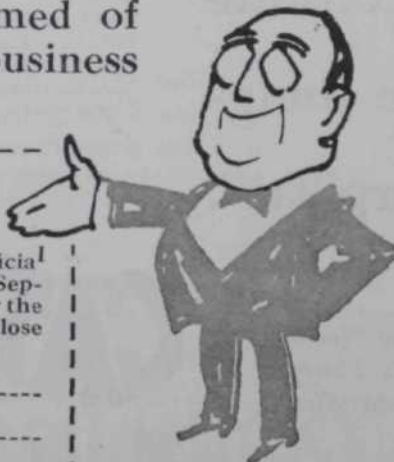
To the U. S. Chamber of Commerce
Washington, D. C.

Send me NATION'S BUSINESS, your official monthly publication, beginning with the September number. Bill me later for \$7.50 for the three year term-subscription (OR: I enclose remittance with this coupon).

NAME _____

ADDRESS _____

CITY AND STATE _____





One mechanical hand does the work of many human fingers

PROBABLY you are using all the *standard* machinery common to your industry. Yet there are certain operations in your plant that are slowing up your whole production process, or losing money through excessive spoilage and waste because they must be performed by hand.

A few years ago, in a case of this sort, all that a manufacturer could do was to grin and bear it. Today you can call in Special Production Machines, Inc., who will strengthen the weak spots in your production by designing machines to perform the operations now done by hand, or by perfecting and speeding up your present machinery.

Special Production Machines, Inc., has already saved thousands of dollars for manufacturers in widely diversified lines. In a number of cases we

a machine **CAN DO IT**

have cut down waste and improved the finished appearance of the product as well. Some of these manufacturers have employed us to help bring their own research to a successful conclusion. In al-

most every instance we have been able to help them in one way or another. If we build a special machine for you that improves production and reduces costs, the blue prints and patents of that machine become your property. Any improvements, any new methods installed by us are kept confidential. No other manufacturers can ever derive the benefits of our work in your plant.

A booklet describing the services of Special Production Machines, how it operates and how it is serving manufacturers, will be sent on request. Special Production Machines, Inc., Norfolk Downs, Mass.

SPECIAL PRODUCTION MACHINES

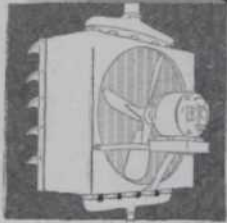
— I N C. —

A Division of

PNEUMATIC SCALE CORPORATION, LIMITED

For over thirty-five years Pneumatic Scale Corporation, Limited, has manufactured automatic labor-saving machinery for many of the world's largest producers of merchandise.

Wagner Motors



Wagner Motor in
Thermal Unit Assembly

Motors for Unit Type Heaters

Single-phase, polyphase and direct current motors have been especially developed by Wagner to meet the exacting requirements of unit type heating and ventilating service, in sizes suitable for single or multiple-speed operation.

All of these motors are mechanically interchangeable, take low starting current, are efficient, and are quiet,—built in this respect to the Domestic Refrigeration standard.

Wagner has made a detailed study of the conditions and requirements under which motors operate in heating, chilling and ventilating units. Comprehensive information, and the experience of Wagner's organization are at the command of unit-heater manufacturers desiring motors designed especially for their particular requirements.

Literature upon request



MOTORS... Single-phase,
Polyphase and Fynn-Weichsel
TRANSFORMERS... Power, Distribution
and Instrument
FANS... Desk, Wall and Ceiling
WAGNER ELECTRIC CORPORATION
6400 Plymouth Ave., St. Louis, U.S.A.
44-7537-13

When writing please mention Nation's Business

WHAT I'VE BEEN READING

By WILLIAM FEATHER

IN THE United States the initial printing of George Bernard Shaw's new book "The Intelligent Woman's Guide to Socialism and Capitalism"¹ was 80,000 copies. It is possible that another 100,000 may be added to this in later printings—maybe more. These readers are now being exposed to a thorough-going attack on capitalism, and the alternative of socialism is being presented to them by an artful, wealthy, shrewd, accomplished and sophisticated literary expert.

But if you are a capitalist, don't worry, as Arthur Brisbane might say.

Shaw's brand of socialism is so pink that it will cause neither a thrill nor a tremor.

Like all reformers Shaw is at his best when he is attacking the present system. He spots the weaknesses and the failures of capitalism unerringly. Let me give you the flavor of his argument and his rhetoric. Such phrases as these pour out of his pen as fast as the ink will flow:

Half fed, badly clothed, abominably housed children . . . and the money that should go to feed and clothe them properly being spent in millions on bottles of scent, pearl necklaces, pet dogs, racing motor cars, January strawberries that taste like corks. . . . One sister of the national family has a single pair of leaking boots that keep her sniffing all through the winter, and no handkerchief to wipe her nose with. Another has forty pairs of high-heeled shoes and dozens of handkerchiefs. . . .

There is no merit in giving employment: A murderer gives employment to the hangman; and a motorist who runs over a child gives employment to an ambulance porter, a doctor, an undertaker, a clergyman, a mourning dressmaker, a hearse driver, a gravedigger; in short, to so many worthy people that when he ends by killing himself it seems ungrateful not to erect a statue to him as a public benefactor. . . .

The rich are very charitable; they understand that they have to pay ransom for their riches. . . . Under socialism people would be prosecuted for being poor as they are now for being naked. . . . A bricklayer has clearly as much right to charge a day's wages for laying three bricks as his employer has to sell the house when it is built for the biggest price he can get for it.

By the time he reaches chapter 67, page 308, Shaw has done his best work. On this page he tells his reader "by this time you know much more about the vital history and present social problems of your country and of the world than an average Capitalist Prime Minister." Thereafter Shaw discusses Party Politics, Children, Religion, Liberty, and Churches, and he becomes pretty dull because his thinking is muddy.

I READ Das Kapital by Karl Marx fifteen years ago. Marx had far better material to work with than is available for Shaw, because Das Kapital was written sixty years ago. The progress under

capitalism in those sixty years has been tremendous. Starving babies, fifteen-hour working days, hungry children, and wretched poverty are not unknown today, but they are least common in those nations where Capitalism is flourishing.

Talk of pearl necklaces, pet dogs, racing motor cars, and bottles of scent has a hollow ring in this country where every working girl has six bottles of scent on her bureau and at least one string of pearls which, though imitation, cannot be distinguished from real pearls except by an expert, and where every farmer boy owns an automobile which will go at least twice as fast as the law allows. As for pet dogs, the rule here, if not in England, is that the poorer the family the more dogs it keeps.

Shaw says Socialism means equalization of income—nothing more, nothing less. His notion of how this is to be enforced is too silly to justify space for discussion. Let me merely state that he plans to arrest people who work longer hours than are prescribed by law; also to arrest people who work less, or refuse to work at all. Considering our difficulties in the enforcement of Prohibition, what may we expect when it is necessary for the government to raid fishing camps, hunting preserves, Cape Cod harbors, and resorts such as Atlantic City and Palm Beach, looking for loafers?

Nevertheless, equalization of income is a desirable ideal. Thomas Nixon Carver, the Harvard economist, believes that the goal is slowly being achieved through Capitalism.

TO allay the fears of any nervous capitalists I should explain right now that Shaw proposes that there shall be no confiscation of property without compensation. If the government should take over the coal mines the operators must be paid for their property. (Mr. Shaw owns stock in all sorts of enterprises, and he is very firm on this point.) His thought is that owners whose property was taken without compensation would be so outraged that they would cause no end of trouble, and might return a conservative government to power.

Shaw is also strongly in favor of the gold standard, and has only curses for the dishonesty of those nations that debased their currency after the war by running their printing presses twenty-four hours a day. ("I was owed by these countries sums sufficient to support me for the rest of my days, and they paid me in paper money, four thousand million pounds of which was worth exactly twopence halfpenny in English money.")

Lest you may get the notion that Shaw's plan is too generous, I should explain that the taxing power of the government will

¹ The Intelligent Woman's Guide to Socialism and Capitalism, by Bernard Shaw. Brentano's, New York. \$3.00.



Are You Worrying Your Banker?

CARRYING one's own installment paper often sounds practical in theory. But seldom proves expedient in practice.

Commercial Credit service is continually coming to the relief of manufacturers who have accumulated more collateral of this character than their own bank lines conveniently provide for.

We give them cash, restore their borrowing capacity, and relieve them completely of all collection work.

This comprehensive service is yours at moderate rates whenever you begin to feel the pinch.

COMMERCIAL CREDIT COMPANIES Commercial Bankers

Cash, Capital and Surplus \$30,000,000

COMMERCIAL CREDIT COMPANY BALTIMORE
COMMERCIAL CREDIT CORPORATION NEW YORK
COMMERCIAL CREDIT TRUST CHICAGO
COMMERCIAL CREDIT COMPANY, Inc. NEW ORLEANS
COMMERCIAL CREDIT COMPANY SAN FRANCISCO

NATIONAL HEADQUARTERS . . . BALTIMORE

Wherever you are * * * Whatever you make, sell, or buy * * * Investigate Commercial Credit Service

When writing to COMMERCIAL CREDIT COMPANIES please mention Nation's Business



To the Banker

A well-known machinery manufacturer among your clientele is stretching his bank lines pretty tight.

You want him to cut down.

He should cut down. He needs more cash actively at work in his business today.

He is selling on installments and handling the paper himself. And it is crowding him. He finds the detail inconvenient.

But he cannot curtail his installment operations without reducing the volume of his sales.

And sales are precious.

It reads like a dilemma—but the solution is being reached continually through Commercial Credit service to manufacturers in precisely his position.

We will relieve him of the accumulated paper. We will take over all detail work connected with its liquidation. We will provide him with a sounder and yet a more liberal installment plan for current sales than the one he is now using.

If you will send him to us.

You know our standing, our history, our size and our scope. By working together we can, no doubt, provide the right answer to many a question such as the one confronting him.

FRESH AIR



*for 40,000 people
... in the world's
largest auditorium!*

268,000 square feet of floor space—seating capacity for 40,000 people—1,656 tons of fresh outdoor air to be pumped in every hour—2,568 tons of vitiated air to be exhausted!

Now you have a picture of the ventilating problem at the new Atlantic City Convention Hall, Atlantic City, N. J.

For this stupendous ventilating job—as for the great Holland Vehicular Tunnels connecting New York and New Jersey; the Alameda Tunnel connecting Alameda and Oakland, California; and other notable projects—Sturtevant Equipment was the choice of the engineers. 106 Sturtevant Fans—capable of handling 1,879,250 cubic feet of air per minute—comprise the installation!

Atlantic City Convention Hall, Atlantic City, N. J. Architects and Engineers: Lockwood, Greene & Co., Inc., Boston, Mass. General Contractors: M. B. Markland Co., Atlantic City, N. J. Heating and Ventilating Contractors: Riggs-Distler Co., Inc., Baltimore, Md.

B. F. STURTEVANT CO., Hyde Park, BOSTON, MASS.
Plants at: Berkeley, Cal. ↔ Camden, N. J. ↔ Framingham, Mass.
Galt, Ontario ↔ Hyde Park, Mass. ↔ Sturtevant, Wis.
Offices in Principal Cities

Sturtevant

HEATING-VENTILATING AND
POWER PLANT EQUIPMENT

enable it to recoup all the funds paid out in compensation.

Further, it should be explained that his plan is to take over industries slowly, one at a time. The capitalists are to get them perfectly organized on a routine basis, and then the government will buy them out. The new enterprises, which involve risks and new technique, are to be left to private capital.

Shaw's chief weakness is his assumption that any business ever stays on a routine basis. Only downright monopolies, government owned, can be administered by unimaginative, unprogressive men.

PERHAPS there should be a word of explanation about the title of this book.

Shaw informs us that men know all about Socialism and Capitalism, and are not interested in having them explained. Women are not so worldly wise, and are curious to know what all the shouting is about. His purpose is to enlighten the ladies and if the men should chance to overhear—!!! Well, no matter.

For the business man who likes to test his wits against one of the most brilliant of modern writers and thinkers I strongly recommend a reading of "The Intelligent Woman's Guide to Socialism and Capitalism." Shaw is now seventy-two years old and has spent the last six years writing this volume. He calls it his last will and testament to humanity.

PERHAPS one of the best answers to Shaw is "Industry's Coming of Age," by R. G. Tugwell.

Management has always been an important factor in industry, but today it is vastly more important than it ever has been.

Neither labor nor capital can offset the ill effects of weak management, although first-class management can cause an industry to survive despite inefficient labor and lack of capital.

Mr. Tugwell says: "It is the machine and the way it is managed, the materials and forces, and the manner of their marshalling, which make the difference, in our day, between efficiency and the lack of it."

Workers in the modern plant must be effectively directed. Planning, routing, coordination are the work of the office. Unless the office functions well the plant is like a rudderless ship, and the most skilful workers are like wooden men.

Automatic machines, producing a great volume of work at terrific speed, compel the management to think in terms of split minutes. Failure to have materials at hand when the machine is ready for them turns a prospective profit into a loss. Management in the old days could discharge workers when orders fell off, but interest on investment in expensive machinery is continuous, and cannot be stopped for a single day.

Good management today often means the willingness and courage to scrap en-

Industry's Coming of Age, by Rexford Guy Tugwell. Harcourt, Brace and Company, New York. \$2.



Carryola Phonograph with Bakelite Molded tone-arm. Made by Carryola Co. of Amer., Milwaukee, Wis.

Bakelite Molded made enameling unnecessary *and improved tonal qualities*

THE Carryola is a portable phonograph mounted in an attractive leatherette case, furnished in several different colors. Its makers wished to beautify the instrument by having the tone arm finished in a color to match the case. Enameling the metal arm formerly used was unsatisfactory as the enamel would crack and chip. Now the tone arms are formed of Bakelite Molded in appropriate colors, and are giving complete satisfaction.

It was also found that the Bakelite Molded arm improved the tonal qualities of the phonograph. The metal

arm previously used emphasized the notes of brass instruments, and made the notes of wood instruments too harsh. The Bakelite Molded tone arm brings out the full tone of all instruments whether of brass or of wood.

Notwithstanding the superiority of the Bakelite Molded arm, its cost is approximately the same as metal. Four of the arms are formed in a single molding operation, no subsequent finishing or polishing is required, and no enameling is needed as the material itself is of the desired colors.

Bakelite Engineering Service. Intimate knowledge of thousands of varied applications of Bakelite Materials combined with eighteen years' experience in the development of phenol olsinoids for industrial uses provides a valuable background for the cooperation offered by our engineers and research laboratories. Write for Booklet No. 42, "Bakelite Molded."

BAKELITE CORPORATION

247 Park Avenue, New York, N. Y.

Chicago Office, 635 West 22nd Street

BAKELITE CORPORATION OF CANADA, LTD., 163 Dufferin Street, Toronto, Ont.

BAKELITE

REGISTERED

U. S. PAT. OFF.

THE MATERIAL OF  A THOUSAND USES

"The registered Trade Mark and Symbol shown above may be used only on products made from materials manufactured by Bakelite Corporation. Under the capital 'B' is the numerical sign for infinity, or unlimited quantity. It symbolizes the infinite number of present and future uses of Bakelite Corporation's products."

When writing to BAKELITE CORPORATION please mention Nation's Business

Examine Your Time-Honored Practices

Every business enterprise that exists long enough acquires its various traditions. Whether or not they are worthy depends on the management.

Good management looks into the traditions of its organization, especially at budget making time, and seeks to weed out those that are undesirable and thereby gain something in resources for perpetuating and strengthening those that are worth while.

The preparation and use of a well-ordered budget dictate that expenditures must be governed, not by precedent, but by necessity as indicated and explained by the aims and month to month operations of the business.

Effective *budget control* is based on Modern Accountancy and is a means through which Modern Accountancy serves the creative talents of management with the stimulus and dependable counsel of *timely* and *exact* knowledge.

ERNST & ERNST

ACCOUNTANTS AND AUDITORS
SYSTEM SERVICE

NEW YORK	PITTSBURGH	CLEVELAND	CHICAGO	NEW ORLEANS
PHILADELPHIA	WHEELING	AKRON	MILWAUKEE	JACKSON
BOSTON	ERIE	CANTON	MINNEAPOLIS	DALLAS
PROVIDENCE	ATLANTA	COLUMBUS	ST. PAUL	FORT WORTH
BALTIMORE	MIAMI	YOUNGSTOWN	INDIANAPOLIS	HOUSTON
RICHMOND	TAMPA	TOLEDO	FORT WAYNE	SAN ANTONIO
WINSTON-SALEM	CINCINNATI	ST. LOUIS	CAVENPORT	WACO
WASHINGTON	DAYTON	MEMPHIS	DETROIT	DENVER
BUFFALO	LOUISVILLE	KANSAS CITY	GRAND RAPIDS	SAN FRANCISCO
ROCHESTER	HUNTINGTON	OMAHA	KALANAZOO	LOS ANGELES

tire plants and rebuild. Astonishing results have been achieved in industries that have done this.

Things are stirring in the industrial world.

A revolution is in progress, of which few are aware, although its consequences are as far-reaching as those which accompanied the introduction of steam.

The management that cannot grasp what is going on, and adjust itself, is in a sorry way. All of this is made clear in "Industry's Coming of Age." Shaw seems to think that the production of goods is a routine job.

A FEW years ago the magazines began printing items about their contributors. More recently theater managers have introduced biographical notes about members of the cast into the programs.

When we read something we like or see an artistic performance we immediately want to know a few facts about the author or the players.

The purpose of mentioning this is to suggest to book publishers that they should satisfy the curiosity of readers by making short biographical sketches of authors a part of every book. Often bits of information about the author of a book appear on the jacket, but since the practice of many is to discard the jacket before opening the book the proper place for these notices is in the book itself, preferably at the end.

AFTER finishing the biography of W. R. Hearst,² by John K. Winkler, the reader will perhaps know more about Hearst, but he will still be unable to classify the man. Measured in dollars his success has been tremendous. Measured in influence on public thought, he ranks among the foremost. Measured in genuine service and accomplishment, he is less than zero or a twentieth century superman, depending on your point of view. I doubt that the book will alter anyone's estimate of Hearst. Which indicates that the book has merit as a biography.

Those who enjoy the study of puzzling personalities will enjoy this feast of Winkler's. The book opens in a fast tempo which is maintained to the last page. Hearst would be a fascinating subject for any writer. He has been active as a publisher for forty years. His representatives have gone to every corner of the world, and his newspapers and magazines and syndicate features have penetrated every household in this broad continent. The son of a multi-millionaire, he has always had contempt for a measly million dollars. Whether he gets a thrill out of a hundred millions or two hundred millions does not appear. He spends money like water, buying art objects in such quantities that he is compelled to build warehouses in which to house them. He retains the loyalty of his henchmen, although he manipulates them like chessmen.

In reading the book I tried to uncover

² W. R. Hearst, by John K. Winkler. Simon and Schuster, New York. \$4.

Executive Opinion—

"ANY business man who does not consistently read NATION'S BUSINESS is, I believe, missing much that would be of great help to him."

FREDERIC H. HILL, *Vice President*

Elmira Water, Light and Railroad Company

Elmira, New York

Where INDUSTRY is Stepping on the Gas

HERE in Piedmont Carolinas every index shows an accelerating rate of business progress.

Building permits, in dollars per capita, are 66% ahead of the country at large. Automobile registration has increased 22%, while the national increase was 7%. Use of electrical power has grown 143% faster than the national increase.

For the fourth successive year Piedmont Carolinas has set a world's record in the sale of electric ranges.

This active buying by the people of this section is a true and faithful reflection of their prosperity.

It also reflects the prosperity of the manufacturers who have come here in search of greater stability, surer profits, and an adequate return on their capital.

New industries only a few

months ago were locating here at the rate of one every five days. Now the rate is one every four days.

Piedmont Carolinas is a rising market. Its advantages are not shared by any other part of the country. Its high plateau insures comfortable days and cool nights all summer long. Its winters are mild and open.

Abundant raw materials and an adequate supply of willing, intelligent labor are foundation stones in its industrial progress, just as its nationally famous roads and schools are fundamental in its social progress.

The population is nearly 70% white and over 99% native born, industrious and loyal.

Opportunity for industry beckons to Piedmont Carolinas. Here are all the elements that build success and wealth.

AUGUST						
S	M	T	W	T	F	S
..	1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	..
..

"New industries only a few months ago were locating here at the rate of one every five days. Now the rate is one every four days."

FACTS, boiled down yet complete, make this book interesting reading to any business executive who is wondering how to insure profitable operation. Brief. Condensed. Readable. A copy will gladly be sent to you. Please address Industrial Dept., Room 117, Mercantile Bldg., Charlotte, N. C.







Located in
**PIEDMONT
CAROLINAS**

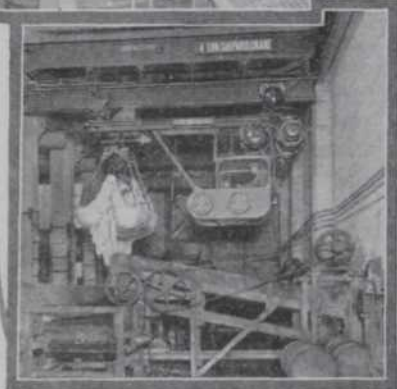
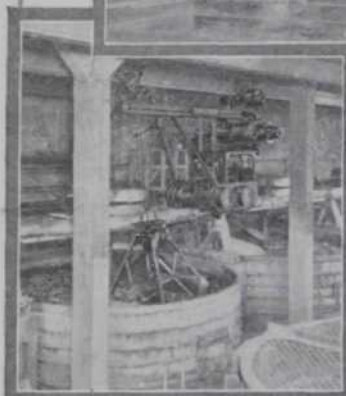
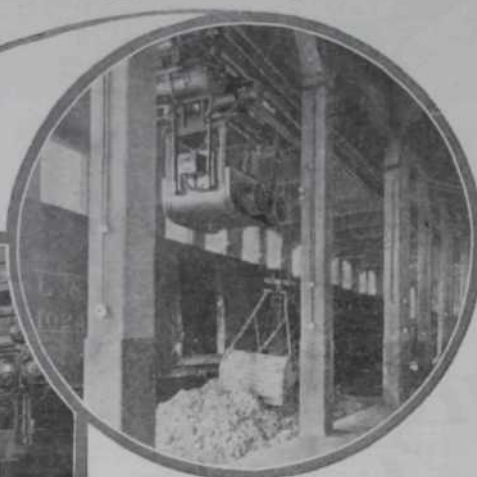
DUKE POWER COMPANY

SOUTHERN PUBLIC UTILITIES COMPANY AND OTHER ALLIED INTERESTS

RESORTS
INDUSTRY
GOLF
FARMING
RECREATION

Planned load handling doubles capacity

8 men replace 50



From cars to conveyor, every bit of handling is done by Shepard Grab Bucket Monorail Hoists. The hoist picks up a load of fleshings, then runs along monorail track to the transfer crane which carries the hoist to any section of monorail track as desired. Every vat is thus served without the necessity of changing the load. 24 carloads of fleshings a week are handled with ease.



HANDLING fleshings was a dirty, dangerous job. Labor could not stand the gruelling work in the lime pits with pick, shovel and wheelbarrow. Continual labor turnover slowed up production.

Now two Shepard Grab Bucket Hoists operating on a Transfer Crane and Monorail Track do twice the work of the 50 men formerly employed. Two operators and six assistants handle the fleshings for a monthly production of 1,000,000 pounds of glue. The work is no longer disagreeable and labor troubles are over.

Planned load moving is also cutting costs in many other industries. By fitting the correct Shepard Electric Hoist or Crane to the job, savings in time and labor are always made possible.

Experienced Shepard engineers are located in the principal cities throughout the country. A letter will bring the nearest representative.

SHEPARD ELECTRIC CRANE & HOIST COMPANY
354 Schuyler Ave., Montour Falls, N. Y.
Branches in Principal Cities

Member Electric Hoist Manufacturers Association

SHEPARD

ELECTRIC CRANES & HOISTS

Largest Manufacturer of Electric Hoists in America

When writing to SHEPARD ELECTRIC CRANE & HOIST CO. please mention *Nation's Business*

the secret of his success as a publisher and business man.

Why do millions of readers and thousands of advertisers patronize him? For one thing, he insists that his publications be lively and interesting. He will tolerate no dullness. Second, he strives for circulation and reader-interest, assuming that if he delivers the readers the advertisers will buy his space. Third, he seeks and buys the services of first-class helpers, paying them liberally, even fabulously, for high accomplishment. Fourth, he is alert and deeply in love with his job. At sixty-five he is at work and intends to keep at work. When he dies he will probably be in the act of writing an explosive telegram to an editor.

On the Business Bookshelf

THE type lines of this advertising book are four and a quarter inches long. That is too long to read with ease. To prove my point, let us refer to page sixteen where there is a table telling the greatest width of different type sizes for easy reading. Ten point, the size in which the book is set, should be not more than two and five-eighths inches long. Much of the book is set in eight point which is even more difficult to read.

The content of the book is made up largely with suggestions for advertising different parts of the bank. This is prepared form copy. It is very good copy but, of course, not fresh.

DISTRIBUTION is getting much of the blame for the high cost of living. Telephony promises a reduction in that cost. "The telephone, like advertising, appears to be an instrumentality of first importance by which distribution costs are cut and time saved."

Obviously it is cheaper to sell by telephone than by sending a traveling representative. It saves traveling costs and time of the representative. And by no means least important is that salesmen paying by the minute will not make long-winded speeches!

Mr. Frederick promises to help stabilize this growing trend in selling.

The National Industrial Conference Board has published three of a series of studies to determine the relative competitive position of industry in New York State.

'MacGregor's Book of Bank Advertising by T. D. MacGregor. Bankers Publishing Company, New York, 1928. \$7.50.

'Selling by Telephone by J. George Frederick. Business Bourse, Publishers, New York, 1928. \$4.

'The Cost of Living in Twelve Industrial Cities. National Industrial Conference Board, Inc., New York, 1928. \$1.50.

The Economic Status of the Wage Earner in New York And Other States. National Industrial Conference Board, Inc., New York, 1928. \$2.50.

The Fiscal Problem in New York State. National Industrial Conference Board, Inc., New York, 1928. \$3.



Personalized letters mechanically perfect produced in quantity at a new low cost

That sums up the testimony of hundreds of users of the Addressing Multigraph, a machine that turns out a complete letter and addressed envelope at every revolution of the drum. The date and salutation are filled in, the body of the letter is printed, the letter is signed in ink, and the envelope is addressed—at a rate of from 600 to 1,000 an hour. The mechanical perfection of these letters comes from printing all but the signature through the same ribbon at the same time. The low cost comes from speed of the complete operation and from Multigraph efficiency.

*A steel corporation's experience
with Multigraph equipment . . .*

The Central Alloy Steel Corporation, of Massillon, Ohio, maintains both printing

and addressing Multigraph departments. Concerning the Addressing Multigraph, L. S. Hamaker, Advertising Manager, writes as follows: "It turns out letters which are more nearly perfect mechanically than anything within the writer's experience . . . The use of this machine . . . enables us to maintain a constant follow-up on our salesmen's calls, which, while mechanical in operation, bears little evidence of being so."

THE AMERICAN MULTIGRAPH SALES COMPANY
1806 East 40th Street Cleveland, Ohio

. . . .

MAIL THE COUPON

"Making Profit Margins Wider" is a folder of material that gives you the basis for planning more effective sales activity and shows how you can materially cut sales and office costs. Send in the coupon for it today.



The American Multigraph Sales Company,
1806 East 40th Street, Cleveland, Ohio.
☐ Please send me the folder, "Making Profit Margins Wider." ☐ Please have your representative call on me and arrange for a demonstration of this machine.

Name

Business

Address

THE MULTIGRAPH



Bankers to Industry Everywhere

Inquiries are invited from all interested in offering their customers the opportunity to acquire new equipment upon sound instalment terms.

Ask about C. I. T. Plan for

Automobiles
Bakery Machinery
Barbers' Equipment
Canning Machinery
Contractors' Equipment
Dairy Machinery
Dental Equipment
Dredges
Electric Appliances
Farm Machinery
Furniture
Hospital Equipment
Hotel Furnishings
Laundry Machinery
Newspaper Machinery
Oil and Gas Heaters
Organs, Pianos
Pattern-Making Machinery
Phonographs, Radios
Portable Houses
Printing Machinery
Refrigerators
Store Fixtures
Stoves, Ovens, Furnaces
Textile Machinery
Theatre Equipment
Washing Machines
Welding Machinery
X-Ray Machines

and many other products

Paid Out of Income ~
\$57,000

Dredge Equipment

ON adding a fifth dredge to its fleet the—— Dredging Company came into the market for a complete equipment installation. Winding machinery, pump, frames, lifting tackle, etc., came to about \$57,000.

This large order went to a manufacturer who offered facilities for buying out of income. Paying part cash and giving notes maturing at the rate of about \$3,600 a month, the Company now has a fully equipped dredge in service on contract, helping pay for itself. (A dredge with this equipment can earn as much as \$500-\$700 a day.)

The seller promptly discounted the instalment paper with C. I. T. for cash, thus keeping his regular credit lines intact for his own needs.

Whether dealing in large installations, or smaller equipment units for plant, office or home, today's market requires a sound instalment plan as part of your sales policy. Our experience over twenty years is assurance that the C. I. T. Plan submitted for your product will safeguard the interests of manufacturer, dealer, and customer.

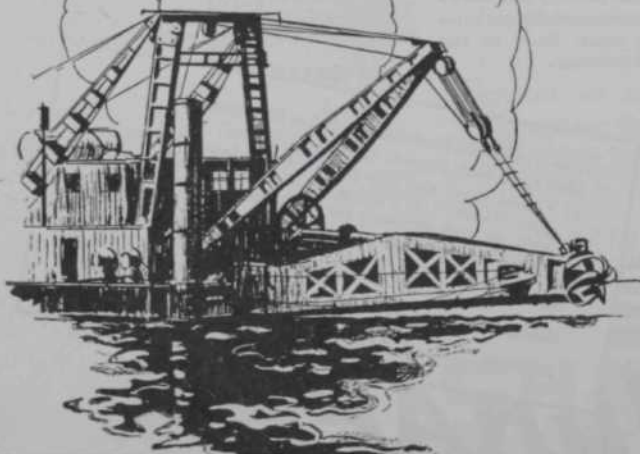
C. I. T. offers a ready market to firms having on hand suitable purchaser paper, in any amount, which they may wish to convert from "notes receivable" into "cash on hand."

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What the World of Finance Talks Of

By MERRYLE STANLEY RUKEYSER

IN THE extraordinary rise of security prices in the last six years, the consciousness that credit was abundant was a primary factor. Naturally, the recent tightening of interest rates caused speculators and investors to seek a fresh perspective. The money pinch was in part artificial. It was the result of Federal Reserve policy toward recent domestic and international events.

The Federal Reserve had for a long period sought to make interest rates low in New York in order to facilitate economic stabilization abroad. With this in view, the authorities last August lowered the rediscount rate at New York to $3\frac{1}{2}$ per cent at a time when American crops were being purchased by foreign buyers, who were encouraged by easy money.

The artificial ease, however, contributed to the great outburst of speculation in securities, which absorbed in brokers' loans at the peak on June 6, 1928, \$4,427,691,000, compared with \$3,118,429,000 at the same time a year ago. By the closing month of last year, the Federal Reserve authorities recognized that the easy money policy had played into the hands of speculators, and by the turn of the year reversed its money policy.

IN January when money seasonally becomes easy, the Federal Reserve undertook to take up the slack by reversing its open market policy and selling Governments instead of continuing to buy them. The sale of government securities by the Federal Reserve is equivalent in its tightening effect on the open money market to the export of the same amount of gold or to the loss of a similar amount of currency.

The sale of government securities reduces the volume of Reserve credit, and therefore tends to contract the lending power of member banks many times the amount of the operation. However, the first dose of selling was to a large extent offset by a windfall to the banks in the form of a return flow of \$150,000,000 more currency than was the case a year ago.

The first open market operation was followed by a rise in the rediscount rate of the regional banks from $3\frac{1}{2}$ to 4 per cent in February. This brought temporary correction in brokerage loans, but after the first week in March the speculative campaign became renewed with unprecedented intensity, and more credit than ever before became tied up in stock speculation.

Meantime, radicals in the Senate were

clamoring for special legislation to curb the brokers' loan situation. Newcomers entered the market to relieve the earlier buyers of their stocks, and to carry price levels right up to the sky.

In April and May the Federal Reserve intensified open market selling operations, and raised the rediscount rate from 4 to $4\frac{1}{2}$ per cent. By the end of the first half of the year, the Federal Reserve had cut down its holdings of government obligations by \$415,466,000, of bills bought in

for speculative purposes began to be effective. The June Bulletin of the Federal Reserve Board said:

"This higher cost of reserve bank credit, and the traditional reluctance of member banks to remain continuously in debt at the reserve banks, exert a continuous pressure on the member banks. That these banks, in turn, pass the pressure on to the borrowing public is evidenced by the rise in open-market money rates and the closer scrutiny to which many loans are subjected. Unless a change occurs in the direction of gold movements, or in the open market policy of the Federal Reserve system, the only means by which the member banks will be able to reduce their debt at the reserve banks is a sale of investments or a gradual contraction of their loan account."

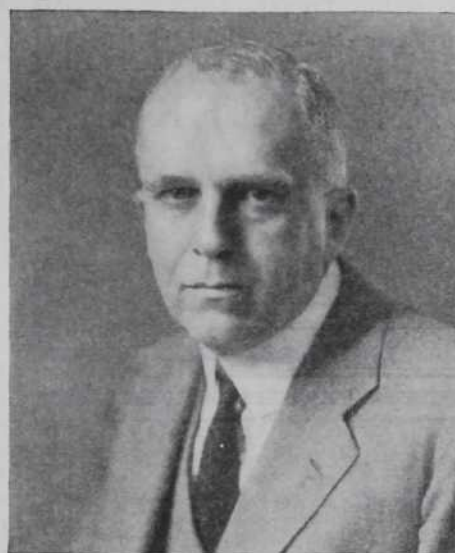
THE banks and the public soon took the tip, and rapid liquidation in the security markets ensued, and in three weeks brought down brokers' loans more than \$400,000,000. The weakness in the bond market, which preceded the dramatic collapse of stock prices, was intensified, if not caused, by the attempt of banks quickly to reduce their investment accounts. Banks directly and indirectly sought a contraction of brokers' loans, which had been swollen by a rapid influx of funds from non-banking sources, over which the Federal Reserve had no control.

New York City banks temporarily suspended their frantic race toward expansion, and told new brokerage borrowers that the banks did not wish their business, because the banks were themselves borrowers, rather than lenders.

The most immediate factor for easing up the money market was liquidation in the security markets. This not only released funds, but also was a move in the direction of satisfying the Federal Reserve that its restrictive campaign was bearing

fruit, and accordingly brought the policy so much nearer its end. After the Fourth of July, seasonal forces begin to favor relaxation of interest rates, and such influences usually remain operative until late in August when funds are sought to finance crop movements.

THERE are some indications that the heavy outflow of gold in its present phase of redistributing the world's supply has run its course. The exports took place through the tolerance of America, as the creditor nation. France and Germany did not take gold in large amounts



FOR TRADE GROUPS

CHARLES R. STEVENSON, president of the National Association of Cost Accountants and experienced in trade work, proposes that Congress look into the Clayton and Sherman acts. He says that the laws are hard on trade association work

the open market by \$163,699,000, and the loss of gold since September through export and through earmarking approached \$500,000,000. This \$900,000,000 reduction in reserve funds was offset to the extent of \$150,000,000 by the current situation. Member banks offset this—and more—through borrowing at the Federal Reserve banks, bringing their indebtedness up to \$1,000,000,000 for the first time since the beginning of 1922.

By the early part of June the pressure which the Federal Reserve was deliberately placing on the money market in order to discourage excessive use of credit

1888 ~ 1928

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because they were entitled to the metal to settle commercial balances and debts. On the contrary, if debts are taken into account, the net flow of gold would have been in this direction.

Foreign banks took gold because American investors were willing to export capital by absorbing foreign securities. The great outflow, therefore, took place because American banking authorities acquiesced in the movement as a means of facilitating economic reconstruction abroad. The outflow must not be construed as a harbinger of adverse business developments, such as a similar loss of gold in pre-war times would have signified.

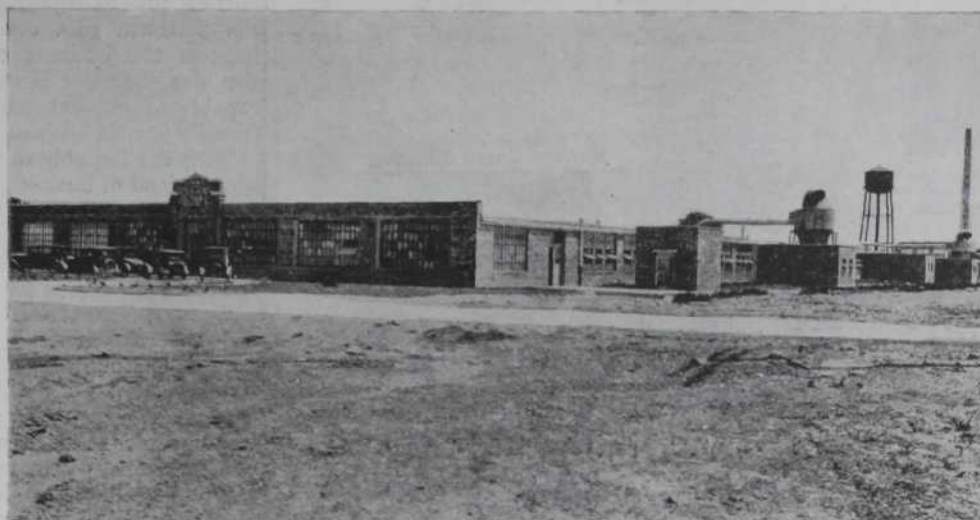
IT IS well to bear in mind that the decisive factor in the money market has been Federal Reserve policy. If it had willed continuance of easy money, the Federal Reserve could have offset the effect of gold exports by buying an equivalent amount of government securities. Standing aside while gold flowed out was one means of tightening up money rates. Selling Governments was another. A third influence toward tighter money was in twice raising the rediscount rates. A fourth factor was the veiled public warning in the June bulletin that the expansion in credit was more rapid than the growth of business warranted.

THERE is little doubt that speculators were abusing easy money conditions, and that the Federal Reserve restrictive policy, though tardy, was a step in the right direction. However, it is well to know that the brakes were applied deliberately, and can be removed when the Federal Reserve authorities wish. The will of American bankers has been the determining factor, not outside forces over which they had no control. Deposits of the Federal Reserve banks could increase by \$3,500,000,000 and deposits of commercial banks many times that amount without exhausting the reserve possibilities of the gold still held.

IF speculative excesses can be prevented, there are no prospects of tight money rates over a long period. As for the stock market, the will to bull stocks indiscriminately has been broken. Stocks have begun to sell ex-delusions. The first wave of selling was partly necessitous, as the pincers of the money market tightened. Finance for the time being became less emotional, and more discriminating. There has been a rebirth of the old fashioned notion that stock prices should bear some relation to the earning power and assets of corporations.

In the present temper of the Street, there is more disposition to consider specific facts, and evaluate individual securities in accordance with special surrounding conditions, rather than in accordance with delusions of grandeur about the prospects of companies in general.

THE effect of politics on business in the Presidential year 1928 has been minimized by the character of the Demo-



Superior **W**orking Conditions in the SMALL TOWN *Factory*

"The security of capital depends on the contentment of labor. The contentment and happiness of labor depend as much on conditions outside the factory as inside. Labor gains in respect, contentment and interest as it moves away from population congestion. Industry, for its own good, goes to small towns."

THUS a prominent industrial executive comments on his company's policy of placing its factories in small communities.

The trend toward decentralization of industry is based on sound business principles, directed toward lower costs and better production. No inflated wage scales are necessary in the small town, where a worker's moderate income will

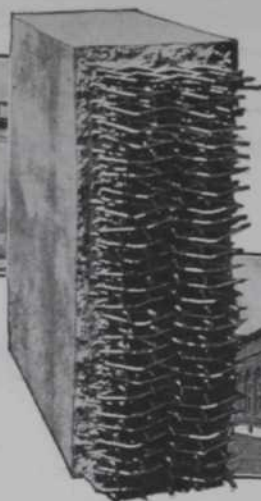
buy more than a much higher income buys in the big city. Land and taxes absorb less of the factory's funds. Ample and inexpensive electric power is available in the small town, through the widespread electric transmission systems which blanket the countryside. Fast freight and hard roads have brought a metropolitan grade of transportation to the small town, with the added advantage of less crowded shipping facilities.

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eratic platform and nominee for the office of Chief Executive. Not only has Governor Alfred E. Smith a record of fairness toward legitimate business, but the platform goes out of its way to impress the business community with the idea that the Democratic Party is capable of efficient administration and friendly toward business prosperity.

With the Republican Party the traditional friend of business, there is no even mildly anti-business major party in this campaign, and accordingly executives can launch their plans without the restraint imposed by political fears.

By its acceptance of the principle of a tariff which provides for "the maintenance of legitimate business, and a high standard of wages for American labor," the Democratic Party, accepting the protection principle and dropping the traditional argument of a tariff for revenue only, takes the tariff issue out of the campaign. With the industrialization of the South, it is not surprising that it has done so.

The Democratic Party, in urging that government-owned shipping lines be turned over to private interests, indicates that it favors less, rather than more, government in business. Moreover, the tax recommendations are free from espousal of the excess profits tax or of plans for the taxing of surplus.

ARE you a business astrologist or astronomer? B. C. Forbes raises this question in his vivacious new book on "How to Get the Most Out of Business." In analyzing why big business has been growing more rapidly than little business in recent decades, Mr. Forbes says: "One reason is because many small business men do not know the difference between financial astrology and financial astronomy."

"Big men are applying themselves more and more to the scientific study of finance, of industry, of distribution, of transportation, of engineering, of credit, of labor, of social and community conditions, of human nature. Astrology is not accepted as an exact science. Astronomy is."

"In other words, too many small business men simply guess; they go by rule-of-thumb; they see only what is directly in front of their eyes."

BEFORE the interlude of dullness, frenzied speculation in stocks competed with politics for first page attention. The building up of new fortunes was rapidly unfolded on the ticker tape. The period was marked by hysteria and abnormality. As might be expected, security analysts did not make the spectacular profits. A deluded public, subject to being carried to extremes, bid some stocks far above their present values. Such stocks, which gave a fast ride, were avoided by the discriminating, who temporarily proved doubly wrong in going into such issues as sound railroad stocks, which were far cheaper on the basis of established earning power and

known assets, but which reacted because of a temporarily adverse traffic trend while industrial specialties soared.

THE new competition, whose effects on the business world have been graphically described by O. H. Cheney, also operates in the realm of agriculture. The older cotton districts of the Southeast, which have been worked for many decades, are partially exhausted, and in places require far more fertilizer than the virgin fields of Texas and Oklahoma. Accordingly, there is competition between the cotton farmers of the East and the West.

In the wheat lands, the American planter of course is in competition with growers in Canada, Argentina, and elsewhere. Farmers are also in competition with chemists in the laboratories who make synthetic foodstuffs.

The sellers of livestock in Nebraska naturally want high prices, whereas those in Iowa who buy steer to feed and fatten wish to acquire them at cheap prices.

There is, of course, no such animal as the American farmer, of whom politicians speak. Farmers, like business men, have varied interests and problems, and would be unequally affected by panaceas. The attempt to give unity to the farm population and to the farm problem is a device of politicians.

SOME scientific students of the American farm situation lean to the view that the farmers are now at the tail end of the post-war readjustment. In the last five years, notable progress has been made in bringing the farmer's dollar to a parity with the city man's. This was accomplished not only through a striking advance in prices of farm products and livestock, but also in a decline of non-agricultural prices.

The McNary-Haugen patent medicine farm relief advice was first espoused in 1923 when wheat was quoted below a dollar a bushel and North Dakota was doubly harassed with a meager crop. Since that time the farm depression has been partially mitigated by a free operation of economic forces. Like business, farming was subject to deflation, but the process took much longer. Less subject to legal restrictions, business took its bitter dose quickly in 1921.

Farming has been harassed by the long term downturn of farm realty values. There is now evidence that values have begun to turn. The best farm lands are already bringing better prices, but values were held down by distress selling in connection with wholesale foreclosures of mortgages.

In spite of dire utterances made for political purposes, farming may be on the eve of a decade of genuine prosperity.

CREDIT is an intangible, fragile flower. Guardians of credit have recently rebuked the clan of financial writers which is prone to take positions on speculative matters for a wave of pessimism. In one of a series of periodical

THE Equitable Trust Company of New York is a commercial bank offering every facility and convenience of the large, metropolitan banking institution. It has shown a gain of more than 80% in net deposits during the last seven years.

The Equitable Abroad

Organized in 1871, The Equitable Trust Company, in a half century's growth, has built up one of the most complete and far-reaching foreign banking services offered by an American Trust Company. This Company has three European offices, two in London and one in Paris, an office in Mexico City, and through its subsidiary, the Equitable Eastern Banking Corporation, is represented in two large central markets of the Far East, Hongkong and Shanghai. These offices and a highly developed system of more than 11,000 correspondents have gained for The Equitable an unusual prestige among foreign banks and business men.

The Equitable's Domestic Organization

In addition to four offices in New York City, The Equitable's domestic organization includes district representatives' offices in seven of the country's key industrial cities. Two of these are offices of its subsidiary, The Equitable Securities Company, Inc., in Boston and Washington. These offices operate for the convenience of correspondent banks and local business houses carrying New York accounts. Close contact with the home office enables our representatives to offer valuable facilities for supplying international credit information, for arranging every kind of foreign banking transaction, and for executing orders in the security markets of the world.

Business houses whose broad activities and interests require a New York banking connection are invited to communicate with our local representative or New York office regarding the advantages of an account with The Equitable.



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Even in swimming, there is danger to sensitive cords and membranes, if left unguarded. Indeed, for exercise of any kind, from golfing to the daily dozen, the wearing of an athletic supporter is a safe and sane precaution.

The softer you are, or the further out of training you get, the greater is the need for this protection . . . *Play Safe* . . . and wear a PAL! It's the preferred athletic supporter of leading colleges, "gyms" and physicians . . . Knitted of covered elastic threads, it affords great comfort and flexibility. Light, cool, porous and washable . . . Gives firm support in the heat of any game . . . At all drug stores . . . one dollar. (Prices slightly higher in Canada.)

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NATION'S BUSINESS

Washington

editorials which appear as paid advertisements, the Harriman National Bank of New York calls the financial writers to account.

The incident raises the question of what are the limitations to freedom of the press when matters of business are concerned. It recalls the revolt last winter of a section of the theatrical industry against the guild of dramatic critics, who were by implication charged with a lack of appreciation of the property value of new performances which were put on at considerable expense by venturesome producers.

"The agitation over brokers' loans," said the Harriman National Bank on June 27, "finally brings to the attention of our wise financial writers in their daily columns the fact that, in an analysis of the Brokers' Loans, those made by 'others' continue to show a further moderate increase; in fact they are almost double the amount they showed a year ago. These loans represent, chiefly, money placed in the collateral loan market by corporations and individuals, and the high money rates of the last week attracted considerable amounts of that class of money to the market.

"In other words, how is it to be expected, in view of the advertising in the daily press of continual flotations of various stocks and bonds, that prospective investors are to absorb them, if the financial column adjacent to the advertisement of these issues practically advises the public to ignore them until they can be obtained at cheaper prices?

"It is a fact, today, that many prospective investors are being adversely influenced by the pessimistic financial press, and are withholding their funds or loaning them out through their banks at high rates—to them a far more acceptable method under existing conditions. How are distributors of these securities to market their goods if the advice is to the effect that the loans are too high and, therefore, these securities should be practically ignored?

How are distributors to reduce their loans which are made with institutions because they are unable to market their goods, unless they have an opportunity offered to do so?

"It is evident, by recent bank statements, that real marginal stock loans which are susceptible to liquidation have been practically liquidated; so now we come to the 'and others' which represents distributors who are locked in. Perhaps the financial writers can solve the problem. Their publications are always pleased to accept payment for advertising of offerings made to the public. Would it not be more honest to refuse such advertisements, awaiting better times?"

THE Harriman Bank has sponsored an interesting innovation in its series of editorial advertisements, many of which make observations in which I find myself ready to concur. This particular blast, however, seems to create an image



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you will find the South's Supreme Hotel, the Atlanta Biltmore, "Where Southern Hospitality Flowers." Located in a four-acre park, free from traffic noises, immediately accessible to theatrical, business and shopping centers

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Rates from \$3.50

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USE the Air Post regularly. Half an ounce—10 cents—any distance. Reduce weight and bulk of correspondence by using Dexstar Manifold Paper—3 to 4 full letter sheets and envelope weigh only half an ounce. Equally valuable for Foreign Correspondence

SEND for Sample Book showing various weights and colors of Dexstar Manifold (rag-stock) Letter Papers

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Eat and Be Well!

A condensed set of health rules—many of which may be easily followed right in your own home, or while traveling. You will find in this little book a wealth of information about food elements and their relation to physical welfare.

CONTROL YOUR WEIGHT WITHOUT DRUGS OR TIRE-SOME EXERCISES

Effective weight control diets, acid and bland diets, laxative and blood-building diets, and diets used in the correction of various chronic maladies.

The book is for FREE circulation. Not a mail order advertisement. Name and address on card will bring it without cost or obligation.



Health Extension Bureau
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of a dangerous dictatorship of the world of finance by a soviet of financial journalists.

In a sense, the belief that such power exists is a tribute to the craft. The guild, however, rarely presents anything like unanimity of opinion. There is among the scribes free competition for ideas, opinions, and news.

In theory, the journalist is likely to take a diametrically opposed view to that of the bank on this question of freedom, yet on second thought it must be recognized that there are some limitations to freedom of expression on banking subjects.

The restrictions are set up by invisible censors, which take the form of discretion. For example, any publication would hesitate to broadcast rumors about the solvency of a bank. To do so would threaten the very financial fabric, and might easily induce panicky runs. However, unless a sound public reason operates, the journalist owes a responsibility to his readers to print the facts, and in the realm of opinion to be sincere.

A financial commentator can be bullish and wrong and get away with it, but, if he is bearish and right, he frequently has to fight to maintain his ground.

ON SPECULATIVE questions, it is best for the individual buyer to make up his own mind.

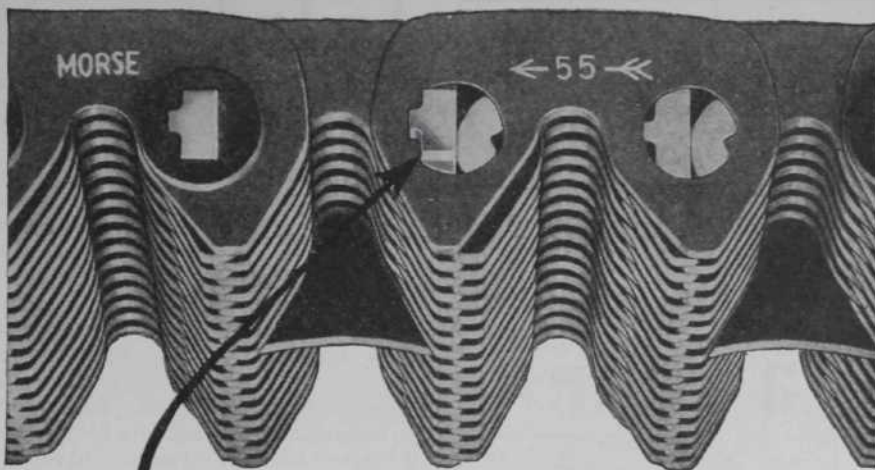
A well edited publication will hesitate to make dogmatic forecasts of the future, and it would lead to serious injustices if a newspaper followed the advice of the bank and excluded proffered advertising of legitimate securities at a time when its financial editor happened to be temporarily pessimistic or bilious.

Business men of the theatre continue their daily advertisements in newspapers even after the critics have revealed that the play is not a consummate work of art.

Financial writers, though contributing to the complex forces that shape opinion, do not make conditions. They merely seek to interpret them. The pressure against brokers' loans came primarily from Federal Reserve policy, which, it is true, won widespread support in the financial press.

IN SEPTEMBER the maximum annual payments under the Dawes Plan are scheduled to begin. The practical issue is whether the huge indemnity instalments will cause transfer difficulties in the foreign exchange market. It is expected that they will, and thus far the recipients have not yet committed themselves to a policy of yielding priority of transfers to private investors in Teuton obligations.

Legally, the Allies do not have to do so, but as principal creditors of Germany it is recognized that it would be wise for them to take this selfabnegating step in order to keep up German credit. Of course, thus far Germany has been paying reparations primarily out of funds borrowed from the American investor.



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Morse Silent Chain Drives are noted for their dependability, long life and high efficiency. The superior Rocker Joint principle of silent chain operation has been largely responsible for the many years of dependable service that Morse Drives have given to industry.

Now, the design of the Morse Rocker Joint has been improved and even longer chain life is assured to Morse Chain users. The new type, known as No. 55, provides a better balanced joint, more rugged and sturdy, 8% heavier and with an increase of 50% in breaking strength. This means less wear and long chain life.

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J. J. Barry, Cost Accountant of the Sawyer Biscuit Company, reports "With the FINNELL SYSTEM two men clean our floors at a labor cost of 2.2 cents per square foot per year. Hand cleaning required four men, at a cost of 4.8 cents per square foot per year. This is a saving of more than \$3000 yearly. Even after a generous allowance for operating expenses, this saving pays for the FINNELL SYSTEM twice a year. Because of our skepticism, the FINNELL representative had a hard time getting his equipment into our plant, but now he would have a much harder time taking it out."

Waxes, Polishes Also

The FINNELL applies wax and polishes, leaving floors lustrous, yet never sticky nor slippery. Wood, linoleum, tile, rubber, composition, terrazzo, mastic, etc.—the FINNELL keeps them spotless, sanitary and better preserved at less cost. There are eight FINNELL models—a right size for every class of business and institution—hotels, stores, hospitals, factories, bakeries, clubs, theatres, laundries, etc.



Have a survey made of floor conditions in your establishment. A FINNELL Floor Maintenance Engineer will do it without obligation. Write today for information. FINNELL SYSTEM, Inc., 238 East St., Elkhart, Ind. District offices in principal cities.

**IT WAXES
IT POLISHES
IT SCRUBS**

FINNELL

ELECTRIC FLOOR SCRUBBER-POLISHER

When writing please mention Nation's Business

An Industry Muddled by Law

By J. S. ABBOTT

Secretary, Institute of Margarine Manufacturers

THERE ARE too many trade barriers between the countries of Europe, men have been saying ever since the war. Commerce cannot flow freely, because it is interrupted by hindrances of tariff, petty local restrictions, different railroad gauges, and preferential trade agreements. The International Chamber of Commerce has given much attention to this problem. Economists have pointed to America, with her absence of barriers between states, and have said that America owes much of her progress to the resulting freedom of movement.

America has taken much pride in her internal commerce. Contrasting it with that between nations in the smaller area of Europe, many a loyal American has thought to himself, "We do things a little better here. If the exports of New York state, for instance, had to stop at the Pennsylvania line for inspection, labels, taxes, permission, and so on, business would surely amount to a lot less than it does. There would be few products with a national market if each state had its own rules and restrictions set for every product made within its borders, or shipped into it. I guess the old U. S. A. deserves a little credit for the way she has built up her national structure to conform with her business structure."

Candidate for Fewer-Laws Club

THERE is one American business man, however, who will not make this speech. Ask the manufacturer of oleo-margarine, or as it is now called, margarine. He will tell you a story of "too many laws."

Instead of approaching his market with a sales manager, he has to approach it with a lawyer. Certainly the lawmakers of the states have not ignored him. His ire is not brought on by official neglect. His goings and comings have been left in no doubt. It is all down in black and white, in forty-eight different statute books.

His grief lies in that he is checked and restricted in a different way in almost every state. What he must do here, he must not do there. What he may say about his product in this state, he will be fined and possibly jailed for saying in his own state. If he uses Gothic letters in designing his product in one state, the adjoining sovereignty says that he must use boldface Roman. Instead of merely conferring with sales managers, he must

spend his time with lawyers asking whether he may, or must not.

His trouble dates from a prize offered by Napoleon III to the Frenchman who would discover a formula to make palatable use of animal fats. Mege-Mouries won the prize in 1870, and called his product "oleomargarine," later changing it to "margarine." The American manufacturer's difficulty arises from the fact that margarine looks like butter. Instead of milk fat, Mege-Mouries used animal fat. In appearance and food value, it was practically the same. The taste varied somewhat.

It became easy to make margarine look so much like butter and taste so much like butter that the customer could be fooled. Then the butter makers rose up and unwisely denounced it as a fraud, and sought to prohibit or to restrict its consumption by legislation. They should have been satisfied with legislation to regulate the manufacture and sale of the product, to the end that it would be marketed as margarine as it is now marketed.

The manufacturer will tell you that Federal legislation is strong enough to curb whatever bad tendencies any maker might have. A Federal license is necessary, which costs \$600; a wholesaler may have a license for \$480; a retailer may sell oleo after paying \$48 to Uncle Sam. If the manufacturer colors his product until it resembles butter in its yellowness, he is taxed ten cents a pound for every pound so colored. If he uses no coloring, he is still subject to a Federal tax of one-fourth of a cent a pound.

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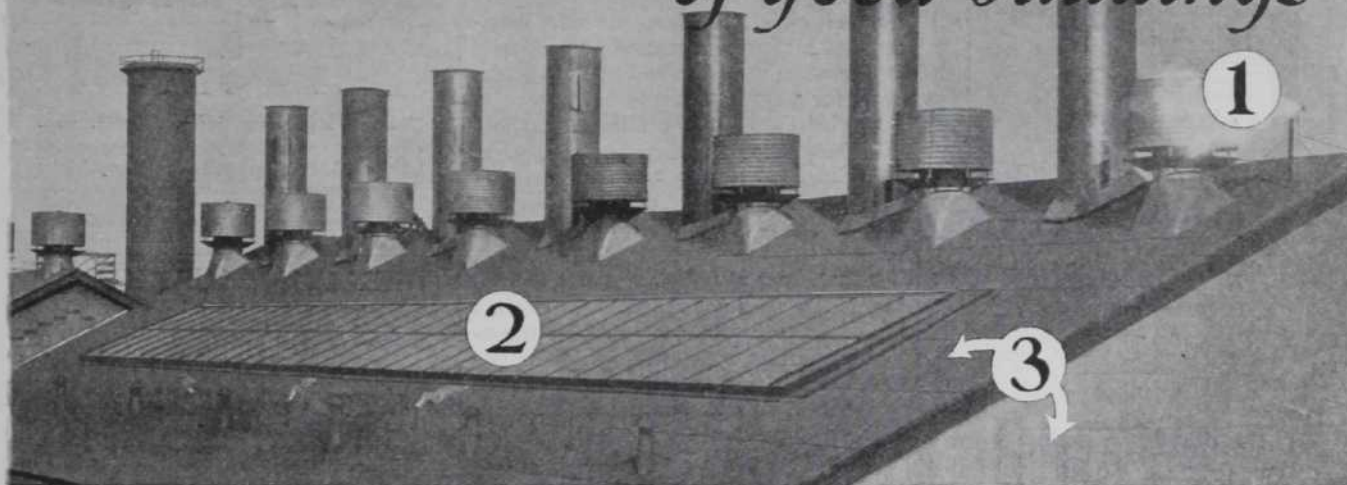
Federal and State Regulations

ONE of the chief advantages of margarine is that it is less expensive than butter. If it is colored to resemble butter, it can no longer be offered at a lower price. Less than five per cent is colored. The manufacturer will point out that any misbranding will promptly be taken care of by the Federal Trade Commission, so that state laws prohibiting the sale of colored margarine are unnecessary. Unnecessary or not, they are there, to his dissatisfaction.

Then, too, the manufacturer is subject to the scrutiny of both the Agriculture and Treasury Departments. The Bureau of Animal Industry and the Bureau of Chemistry are much concerned with the methods of manufacture and the purity of the output. The Internal Revenue

"THIRTY-ODD sets of laws discourage national distribution. But when they are all detailed and completely lack uniformity, the situation is worse. The margarine manufacturer, for one, must approach his market, not with a sales manager, but with a lawyer"

Right here are the lungs ①
the eyes ②
and the life ③
of good buildings



So many things depend on the roof of your building. When you decide what type it shall be you automatically make many other important decisions. The roof determines whether ventilation will be adequate . . . whether the light will be good in the building . . . whether corrosion will be hard to control . . . and even whether fuel bills will be high. Truly, in the roof are the lungs and the eyes and the life of good buildings.

Shall it be a double-pitch roof? or a monitor roof? or sawtooth? Any man whose company is erecting a building should know the advantages and disadvantages (if any) of these commonly-used designs as they apply to his particular kind of work.

What does each of these roof designs do to help or hinder the necessary flow of air through the building? What effect does each one have on the removal of corrosive fumes from a building? What effect do these various designs have on the intensity and distribution of natural light in a building?

All these questions and many others almost as important should receive careful consideration in connection with the structures you plan to build, and Robertson engineers are ideally equipped to help you.

Robertson engineers are specialists in the designing of roofs and in the application of suitable materials to roof construction; they are specialists in the ventilation and daylighting of buildings; they are specialists in the handling of corrosion problems in industrial plants. They have found, from a long and world-wide experience, what type of roof is best adapted to the specific conditions in various industries; what types of sash and skylights give best lighting; what form of ventilation gives best results. If you will send us your blueprints, Robertson engineers will gladly give you their recommendations for ventilation, daylighting and fundamental roof construction. This service will entail no obligation on your part.

H. H. ROBERTSON COMPANY / 1st NATIONAL BANK BLDG., PITTSBURGH

ROBERTSON



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When writing to H. H. ROBERTSON COMPANY please mention Nation's Business



The "Y and E" Personal Safe
Interior Equipment extra

This personal safe for your office \$125

SECURITY and privacy for your personal records right in your own office are obtained in this new "Y and E" safe at remarkably low cost. It is built to a high standard of fire protection. Finished in olive green. Oak, mahogany or walnut finish at slight extra charge. Phone the "Y and E" store in your city or write us for details.

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When writing please mention Nation's Business

Bureau is interested in the margarine manufacturer that it may tax him on the volume and the profits of his business.

It is when the manufacturer looks at the conflicting strictures put upon him by the states that he is most likely to become profane.

Recently I was talking to an Eastern margarine man. He pointed out that plant location did not make a great deal of difference in his business, because the product is so hedged in all sections.

"Just out of curiosity, I figured out by referring to Dunn's 'Food and Drug Laws,' what my position would be if I should set up a plant in Colorado," he said. "I would be close to a source of supply for raw materials, and would have the Western and Midwestern markets.

"To begin with, I would have to post a bond for \$5,000. I would be allowed to make bricks, prints or rolls in one-half, one, two, three and five pound moulds. Branding, packaging, and advertising, I would find thoroughly restricted for me, though there the law allows me to use color.

"Next, how would my nearby market look? To sell my margarine in Utah, I must label my product clearly in uncondensed Gothic type, not less than one inch long. Other states near require me to use bold face Roman, possibly adding that the type shall be not less than five lines pica. I guess I would have to hire a printer to keep me out of court."

Licenses Come High

HE FINDS opposition stiffest in Pennsylvania, where he is subject to a \$1,000 yearly license. A wholesaler must pay \$500, a retailer \$100, a restaurant \$50, and a boarding house \$10, for the privilege of using a margarine product. Beside complete labeling, the Keystone state requires manufacturers and wholesalers to keep a book of sales and retailers to keep a book of purchases. These are for the examination of the dairy and food commissioner. Charitable and penal institutions may not use oleo for the table or for cooking.

In New Jersey nearby, the law requires that the manufacturer's tub or other container "have painted on the outside, midway between the top and bottom, a stripe or band at least three inches wide, extending completely around said vessel or package, and said stripe or band shall be painted with black paint."

In North Carolina and in several other states, the manufacturer must state on the outside of his container the ingredients used and their proportions. West Virginia compels him to label his product plainly, and to state that it is "not wholly made from pure cream or pure milk."

In several states he must be licensed; the type size he may use to name his product is set by law and varies; and, in many states, the term by which his product shall be known is designated. All that is left for him to do is to make it.

Retailers as well are hampered with restrictions. In most states they must display signs in their stores, announcing that

Is the Market for Your Machine limited by your Power Equipment?

There is a growing demand for power-equipped machinery in communities where electricity is not available. There are many manufacturers using a power unit of $\frac{1}{2}$ to $1\frac{1}{2}$ H. P. who are capitalizing on this demand by installing a FULLPOWER 4-cycle, air-cooled gasoline engine as standard equipment. Perhaps you could increase your sales in a wider market in the same way. Let our experienced engineering department submit recommendations for adapting a FULLPOWER engine as a power unit for your machine and broadening your market.

Write us

Briggs & Stratton Corp.

Dept. N-3
MILWAUKEE, WIS.



Fullpower
4-CYCLE AIR-COOLED
GASOLINE ENGINES

A Vice President Speaks—

"The material in NATION'S BUSINESS is judiciously selected, well presented and undoubtedly constitutes a beneficial influence in forming correct and enlightened opinion on the great business trends of the day."

W. B. STILWELL, 1st Vice Pres.
Westchester Lighting Company
Mount Vernon, N. Y.

When writing please mention Nation's Business

they deal in oleomargarine, imitation butter, or whatever the local name. When a pound is sold, with it in most instances must go a card, advising the buyer that he has bought such a product.

Because Congress has decided that it shall be sold only from the manufacturer's original container, this means that the retailer will, in all probability not be able to get the tub or firkin into his ice-box, and thus will be unable to keep his supply cool until sold.

From the farm to the consumer's kitchen, this product is subjected to more regulation than any other that can be named offhand. It would be surprising to find that the margarine maker is able to market any appreciable amount. The demand for any product is strong if the public will go to much trouble to seek it.

Growing American Product

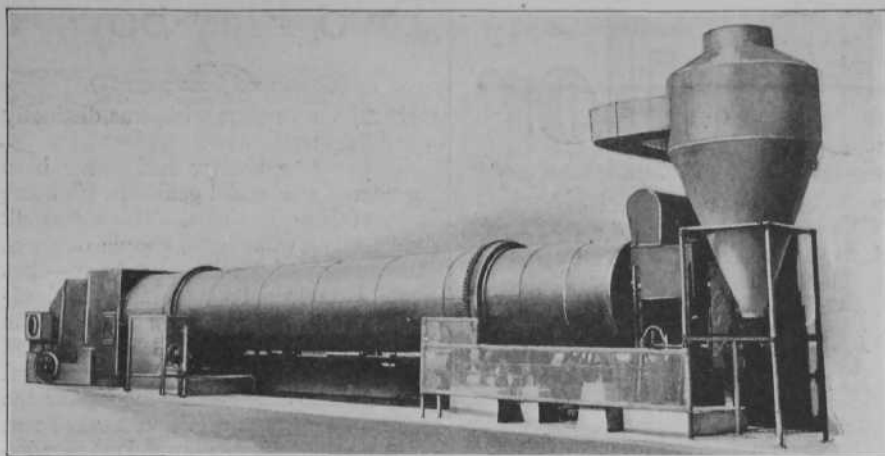
THE industry in America is made up of some sixty-one factories which do an aggregate business of \$60,000,000 a year. It may be said to be truly American for the chief imported ingredient is cocoanut oil, which comes from the Philippines. Incidentally the industry uses every year nearly three million pounds of butter; 25,000,000 pounds of cotton seed oil; 5,000,000 pounds of peanut oil; 100,000,000 pounds of cocoanut oil; 50,000,000 pounds of beef fat; 25,000,000 pounds of pork fat; and 75,000,000 pounds of milk in the process of making margarine.

The consumer is a little bewildered at this spectacle of one food product fighting another with legislative clubs. When he asks his friend the grocer, whom he may have known all his life, for a pound of margarine, the grocer is forced to say, in effect—"I am about to sell you margarine, which I am licensed to do by the Federal Government. The State Government also gives me this privilege. Here is your margarine, my friend. I am now selling you margarine. Ah, you have it safely in your basket? Now, I have sold you a pound of margarine."

And yet margarine is a wholesome commodity. Many tests have proved it acceptable as a food. For many thousands of men and women, it has proved an easy and palatable way of taking the necessary amount of fat into the human system economically. And even though it is made from beef fat and other wholesome fats with milk, the laws of many states dictate that not a cow-like suggestion shall creep into the advertising lest it suggest the dairy. It may not even refer to its own ancestor, the cow.

Coming Business Conventions

Date	Place	Organization
Aug. 6-10	San Francisco	American Hospital Association.
6-10	Chicago	Association of Electricians—International.
7-8	New York	National Retail Luggage Dealers Association.
20-22	Ft. Wayne, Ind.	National Hay Association.
21-23	Chicago	International Railway Master Blacksmiths Association.
28-31	St. Louis	Vegetable Growers Association of America.
29-Sept. 3	Silver Bay, N. Y.	Human Relations in Industry Conference.
30	Browns Mills, N. J.	American Cranberry Growers Association.



5 Ways to Cut the Cost of Drying Bulk Materials

- 1** The first way is to permit Louisville Drying Engineers to make a thorough study of your drying problems. They will recommend a Louisville Rotary Dryer which will greatly reduce your drying costs by . . .
- 2** Drying from 5 to 10 times faster, and permitting of uninterrupted plant operation by delivering dried material continuously.
- 3** Slashing fuel expense from one-third to one-half. This is because Louisville Dryers utilize 50% more of the heat input than do many other dryers.
- 4** Cutting number of attendants to one in many instances. Louisville Dryers require little attention as they are automatic and continuous from feed to discharge.
- 5** Reducing amount of space required as much as 80%. A Louisville Dryer occupying 120 square feet will replace another type of dryer requiring 600 square feet.

In addition, Louisville Dryers eliminate objectionable odors, diminish dust losses and in many instances increase the market value of the dried product. Mail coupon for further particulars of these dryers and the free service afforded by Louisville Drying Engineers.

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COMPANY.

Incorporated

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Cable Address, Loudry, Louisville, Kentucky

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chinery Co.,
Hull St. and
Baxter Ave., Louis-
ville, Ky., for fur-
ther particulars of the
service offered by Louis-
ville Drying Engineers.
No obligation.

Name.....

Position.....

PIN TO LETTERHEAD

Butler

Ready-Made
Steel Buildings

Are Used Extensively
In the Oil and Other
Industries —



Modern Industrial Buildings at Duncan, Okla.,
Made by Butler.

For Permanent or Temporary Use

Butler Ready-Made Steel Buildings are designed and constructed for lifetime service but, if desired, they may be taken down, removed and re-erected with practically no loss of material. They may be enlarged, too, with great economy.

These advantages are gained by the standardized construction used throughout their manufacture. Parts are uniform. They fit accurately and are easy to assemble quickly.

Upkeep Is Minimized

These rigid, galvanized, Steel Buildings are fire-resistant and rust-resistant. They do not require painting. Their economy starts with their original cost and continues through years of satisfactory service.

Each Butler Building is furnished complete with doors, windows, bracings, bolts and reinforcements and is shipped with blue prints ready for prompt erection upon arrival.

Regularly furnished in any width or length desired in our various types of construction. Money-saving quotations f. o. b. factory or erected.

The owner of a Butler Building in Oklahoma writes: "We assure you that the building has come up to our expectations."

Butler's twenty-seven years' experience in the manufacture of steel buildings suitable for factories, warehouses, stores, power houses, garages, filling stations, airport hangars, offices and numerous other important uses is at your service wherever you are located.

Send for catalog "B", which pictures and describes Butler Ready-Made Steel Buildings in detail.

Butler Manufacturing Company
Kansas City, Mo. Minneapolis, Minn.



Two Play-boys Turn Business Men

(Continued from page 17)

mere million to start with, was distinctly up to Partner Hunter.

Now young Hunter had never been considered a financial genius in his home town of New Rochelle. The townsfolk didn't know what some people down in the canyons of Wall Street knew—that Frank Hunter had a born talent for business and finance. They didn't know as the Wall Street people knew that Hunter had worn a path to the Chase National and the National City getting money for the steamship company he had worked for, and that the young fellow had made a distinct hit with the masters of money down in those parts.

Sized up Well by Bankers

THE gentlemen whose nodded O. K. releases millions had sized up young Hunter as one whom it would do to tie to. Some of them happened to be aware of the fact (since it is their habit to know a lot of things which would not seem to be directly connected with the banking business) that he was not even a first chop tennis player so far as form went, and that he had smashed his way to international fame and championship class by bulldog determination, by simply declining to be licked.

And that kind of spirit, plus certain other assets of character which Hunter had, goes a long way with the masters of money.

So young Frank Hunter turned up one day (this was five years ago, in 1923) with a million in his pocket and the blessing of Wall Street, and started right out to buy country newspapers, along with Partner Forbes.

They bought the *Daily Argus* of Mount Vernon and the *Daily Times* of Mamaronock, and then, one by one, they picked up a bunch of weary little weeklies—*Larchmont Times*, *Citizen-Observer* of Harrison, *Dobbs Ferry Register*, *North Westchester Times* of Mount Kisco, *Pleasantville Journal* and *New Castle Tribune*, all little eight-page affairs, most of them pretty well run down at the heel.

For good measure they added a trade paper, a real estate weekly, the *Building and Realty News* of White Plains.

Westchester and the newspaper world awoke suddenly to the surprising fact that the vaudeville actor and the tennis player, the song and dance man and the tennis "idler," not only owned this string but had transformed them, somehow, into bright and sparkling newspapers, radiating the very spirit of the new day.

"How did we do it? Well, I'll tell you," said Forbes, with Hunter standing by (Hunter is no talker). "It was all simple enough. About eight years ago I made up my mind that country newspapers had lost step with the times, both editorially and in business management. They had slumped down into a state of complete inadequacy. The editors were often tired, discouraged men, lacking ambition as well

as cash. The buildings these papers were published in were old and run down. They were shabby and dirty and unattractive to the public that had to do business in them. They were unsanitary for employes, and often insecure.

"These country newspaper establishments, pretty much all over the country, were, only a few years ago, one-horse affairs, the country weeklies particularly. The owner-publisher-editor did a little bit of everything. He sold advertising, wrote editorials, covered the bigger news stories, tried to collect his own bills, spent most of his time chasing the weekly payroll and dabbled in politics. Usually he tinkered with a job printing sideline.

"The old-fashioned country editor was a good fellow and often enough a man of influence in the community, but while he could help others occasionally, he didn't know how to help himself. He knew little or nothing about business ethics or sound business principles. He let what mechanical equipment he had run down to dilapidation, and he never knew how to collect money that was due him. He gave too much credit and accepted too much. He often had to take his advertising and subscription return in kind—groceries, farm produce or labor.

"I got to talking things over with Hunter. We thought we saw a big change in the social aspects of rural and small town life. We saw that there was no longer any marked difference between the markets of the big city and the markets of the small towns, except in volume of trade, and that modern inventions, particularly the motor car, the motion picture, the radio and the rural free delivery, had drawn all the people together, eliminating old-time differences of dress, business methods and habits of thought.

Local Paper for Local News

"MEN and women on the farm and in the villages were beginning to live and think like the people in the big cities. They wanted, therefore, not a kind of local newspaper which was a wearisome, warmed-over version of a big city newspaper, but a local newspaper which would express themselves and give them the news and emphasize the ideals of their particular communities.

"We saw that most people in the country read the big city papers which are so quickly and easily obtainable even a hundred miles from their printing houses. The big metropolitan papers gave them their international and national news, but they didn't give them enough state or local news, especially local news. That was something the old-fashioned country editors hadn't been able to spot.

"In taking over a paper, the first thing we did was to let it stew in its own juice for about a month, so that we could study it and find out just what was wrong. That done, we transformed it overnight, transforming it from a little eight-page affair to a sixteen-page, eight column standard

The story of White Coal

From melting snows, lakes and springs high up in the mountains comes a swelling flow . . . faster and faster until, at the brink of a rocky cataract, the waters pitch and plunge wildly to the depths below.

Here the fury of the maddened stream is brought in leash; its force harnessed to the giant wheels of dynamos whose revolutions create vast stores of electrical energy—"white coal."

The "white coal" that comes from the mountain streams carries Milwaukee trains for 660 miles across four mountain ranges—smoothly, swiftly, silently. No soot—no smoke—no cinders. Travel in the open observation cars of the new Olympian is a novel and pleasant experience. Forty per cent of all the electrified railway mileage in the United States is included in The Milwaukee Road's transcontinental line.

Available for industry, as well as transportation, "white coal" is an important factor in the development of The Milwaukee Road's West.

For your copy of booklet or detailed information on any subject concerning this railroad, address The Milwaukee Road, Room 884 C Union Station, Chicago

FAMOUS TRAINS

The Olympian

Chicago - Seattle - Tacoma

The Pioneer Limited

Chicago - St. Paul - Minneapolis

The Columbian

Chicago - Yellowstone

Twin Cities - Seattle - Tacoma

The Southwest Limited

Chicago - Excelsior Springs

Milwaukee - Kansas City

The Arrow

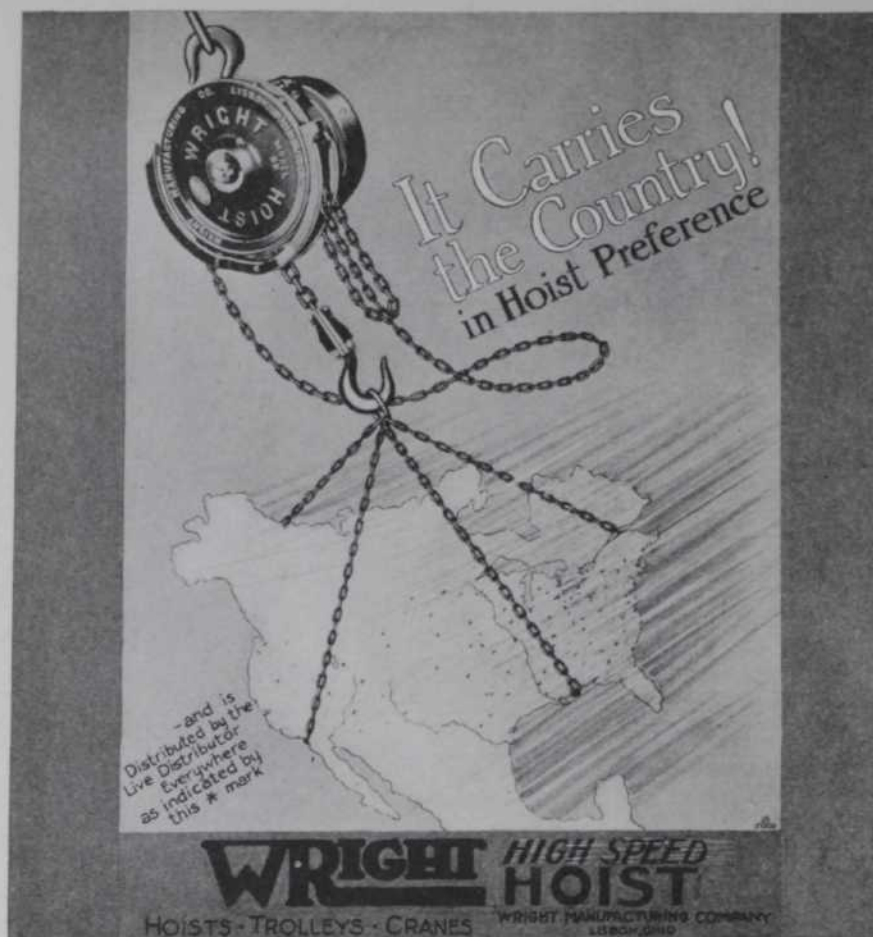
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Milwaukee - Sioux City

The MILWAUKEE ROAD



When writing to THE MILWAUKEE ROAD please mention Nation's Business



It Carries the Country! in Hoist Preference

and is Distributed by the Live Distributor as indicated by this * mark

WRIGHT HIGH SPEED HOIST

HOISTS - TROLLEYS - CRANES

WRIGHT MANUFACTURING COMPANY
LEBON, OHIO

size publication. In every case we put up a modern building of the dignified, financial institution type of structure, and then we installed modern machinery throughout the plant.

"Having completely changed the physical being of the paper we went to work on its soul. We saw that we couldn't compete in weekly publication with the big metropolitan papers, so we concentrated on local news as far as they were concerned. We made it a point to print every local happening that we could hear of or run down. No farmer paints a barn anywhere in our field that doesn't get two or three lines which will tell his neighbors about it.

"So far as the dailies in our chain were concerned we entirely eliminated the job printing departments. It is physically impossible to conduct a job printing business in connection with a daily newspaper.

"We next put all circulation upon an absolutely net paid basis. In other words, every one of our papers must be paid for, cash down, before it leaves its respective office. There is no exception to this rule. For a time this materially cut down circulation, but it all came back and in greater volume, and today we have in our various towns an absolute net paid circulation which is up to the saturation point so far as local coverage is concerned.

Old Papers and Bad Records

"THE old-fashioned country newspaper never knew where it stood financially—not within hundreds of dollars. I've gone over the books of some of these papers and they were the most amazing muddles you ever saw. They never dreamed of installing modern systems of accounting.

"We cut out politics. We refuse to dabble in politics, so far as our papers are concerned. The old-fashioned editor couldn't keep out of political rows. He always had his eye on county printing or some similar source of easy revenue, but in the long run it cost him dear.

"We'll fight—yes. But our fights are always for strictly local improvement or betterment, and they have nothing whatever to do with Republican or Democratic partisanship or policies. Our readers get their politics from their big city papers. They don't want it from us.

"With the consolidation of the various newspapers under our control, and with the establishment of a closely linked chain in an easily accessible territory, a great reduction in cost of publication was effected, both in the purchase of supplies and in the daily or weekly operation of the various publications, and particularly in the composing rooms. One of the most effective means of saving in this department is the setting of advertisements in one plant.

"On the editorial side we are able to standardize economically in the buying of features and the handling of news. Two or three photographers and a small number of reporters get the pictures and news. Many of our young reporters and



Clean with

BECAUSE for over 19 years they have brought economy and efficiency to industrial cleaning, Oakite materials are today servicing more than 19,000 concerns in over 300 different industries—saving them time, and conserving manpower through the elimination of waste effort in cleaning. Write, telling us what your problems are.

Oakite Service Men, cleaning specialists, are located in the leading industrial centers of the United States and Canada.

OAKITE PRODUCTS, INC.
244 Thames St. New York, N.Y.

OAKITE
Industrial Cleaning Materials and Methods

Simply plug in to your light socket and PAINT

The No. 290 Matthews Mechanical Painting Equipment is a complete, high quality, portable painting machine of handy size made up of electric motor, compressor, air supply tank, material container, air and material lines and the well known Type L Matthews Gun. Two men can lift this unit with ease, and the entire equipment can pass through a space 14 inches wide.



NEW LOW PRICE

Send for complete information and low price. This is the ideal machine for maintenance painting, product finishing and refinishing work. Equipped with a muffler that makes it practically noiseless when in operation. Write to

W. N. MATTHEWS CORPORATION
3758 Forest Park Blvd. St. Louis, U. S. A.



MATTHEWS MECHANICAL PAINTING EQUIPMENT

This grainless wood board is writing a new page in the drama of progress!

Possesses remarkable workability—won't crack or split. Revolutionizing methods of manufacturing in many industries. New uses discovered almost every week. Send for large free sample and find out what Masonite Presdwood will do for you.



FOR SIGN BOARDS

Here is a creation of modern inventive genius that is challenging the imagination of manufacturers in scores of industries, and that has already made it possible for a number of them to reduce their operating costs, improve their products and broaden their markets.

A genuine all-wood board which is absolutely *grainless*! A board that positively will not crack, check, split or splinter. A board of uniform strength and truly remarkable workability!—That, briefly, describes Masonite Presdwood.

And yet these are only a few of the many advantages of Presdwood. It is very dense and tough. It is highly resistive to moisture. It has a smooth, attractive surface on the face side, requires no paint for protection, and takes any finish beautifully.

Can be cut and milled

Presdwood is simply wood torn apart and put together again. It contains no foreign substance; not even a chemical binder. So it cannot damage tools.

Presdwood comes in a four-foot by twelve-foot size. It can be used on any woodworking machinery. It can be cut out, punched, die cut and milled. In fact, Presdwood is adaptable and workable almost beyond belief.

From doll houses to bridges!

There seems to be practically no limit to the uses for Presdwood, and new uses are being discovered week after week.

Candy makers are now using Presdwood for starch trays, and in the Chicago Art Institute it is backing and protecting rare works of art.

Store fixtures of many kinds, incubators, clothes hampers, bedroom screens and fire screens are made of Presdwood; so are work-bench tops, bread boxes and concrete forms.

You will find Presdwood as paneling in the new Pullman cars of several leading railroads; you will

find it made into tension boards for many radio speakers. Large halls and pavilions have floors of Presdwood; and it is already beginning to go into fine office buildings, apartment buildings and homes for the same purpose.

Toys are made of Presdwood; trunks, wardrobes, bank vaults, and telephone booths are lined with it.

There are kitchen cabinets, shelving, and office partitions of Presdwood; thousands of feet of it are used in making movies; there is now a demand for it in the construction of dams.

In brief, Presdwood uses range from doll houses and invalid trays to bridges and flumes!

Withstands the wear of all outdoors

Out in the open country—there, too, Presdwood is proving what an enduring, adaptable material it really is. Water, wind and scorching sun have little effect upon it, even when it is left unpainted. Steadily, persistently, it withstands wear and tear that have wrecked many another material in a comparatively short time.

Presdwood is being used for speed boats—alike on the Gulf of Mexico and the lakes of Wisconsin. Campers' tables are made of Presdwood; so too are safety wheels for bathing beaches, and particularly signs—all kinds of signs. Holstein and Guernsey Breeders, for example, are using Presdwood sign-boards in Wisconsin, Minnesota, Iowa, Nebraska, the Dakotas, and as far west as Idaho.

And so the list of Presdwood uses might be continued for many paragraphs. We suggest that you put this *grainless* all-wood board to the test yourself. It may be exactly the material you are looking for. Write today for large free sample. It will be sent promptly on request.

MASONITE CORPORATION

Sales Offices: Dept. 1488, 111 W. Washington St.
Chicago, Illinois

Mills: Laurel, Mississippi

FOR PLAYHOUSES AND TOYS



FOR BUILDING BOATS



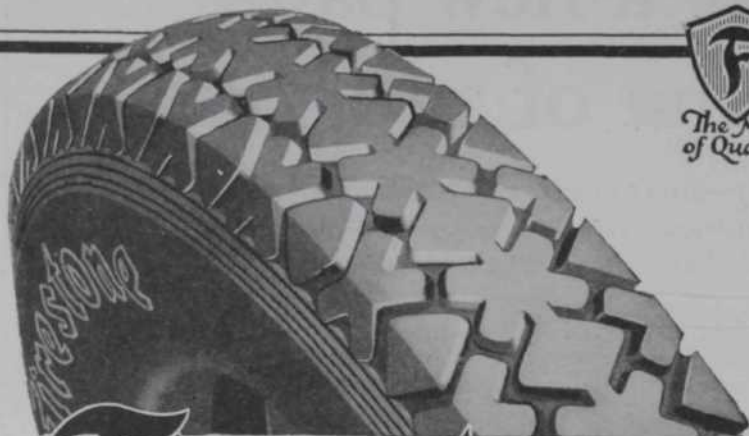
Masonite

PRESWOOD

Made by the makers of
MASONITE STRUCTURAL INSULATION

REG. U.S. PAT. OFF.

The Tire Supreme for TRUCKS and BUSES



Firestone

Gum-Dipped Heavy Duty Pneumatics
hold all World Records for—
SAFETY—DURABILITY—MILEAGE

As a result of Firestone's own improved processes of manufacture, and the scientific engineering of definite types and sizes of tires to fully serve specific purpose, new records—records unheard of a few years ago—are being piled up by thousands of truck owners and operators. Whatever the hauling job, Firestone has built a tire to give the most economical and satisfactory service. The FACTS are before every tire buyer—the element of gamble has been eliminated. When you buy Firestone Tires, you KNOW that you are buying

MOST MILES PER DOLLAR

AMERICANS SHOULD PRODUCE THEIR OWN RUBBER *Harvey Firestone*

sub-editors come from the schools of journalism which are turning out so much journalistic material nowadays.

"We pay especial attention to the desires and tastes of woman readers. It is said that women form eighty-five per cent of the patronage of the department stores and seventy per cent of the patronage of the motion picture theatres, to mention just two big business activities.

"We have tried to put pep as well as sound business into our field of country journalism, combining, you might say, the breezy qualities of my old friend George M. Cohan and the sound business and financial methods of George F. Baker. It has been hard work but lots of fun.

"What we have done in Westchester by application of modern ideas and methods is being done among country newspapers pretty well throughout the United States. The country newspaper has come back with a bang! You may be surprised to hear that there is a fine new prosperity in country newspaper shops wherever owners and editors have awakened or been jarred awake by the whirl of the times. There are now some 11,500 country weeklies, with a circulation of 9,500,000 throughout the United States. The average circulation is around 1,000 copies, but the average is pulled down because many of the weeklies are published in tiny communities, often of only four or five hundred people.

Good Field for Small Dailies

"YOU must remember that there are only 600 daily papers in the United States with a circulation of 10,000 or over, and the circulation of the whole field of dailies is only 33,000,000. You see the little country papers are doing pretty well, for it is said that the minimum net profit of the country weekly is about \$3,000. The average is said to be around \$5,500 to \$6,000. That's a lot of money to make clear every year in a rural community. The average investment in these country papers is about \$15,000.

"After all why shouldn't the country paper do well once it gets into step with the times? Sixty million people live in small towns or upon the farms around small towns. There are 27,000,000 upon the farms, and the rest are close by, with rural sympathies. They spend a lot of money, these people, and the country papers are getting their share of it. The Department of Agriculture figures that the 27,000,000 on the farms spend \$6,000,000,000 every year for manufactured articles.

"Since they buy everything, they are interested in advertisements, both national and local, that the country papers carry. They buy sixty per cent of all the automobiles sold and the greater part of the motor trucks. The women buy silk stockings and underwear, toilet preparations, books, and whatever else that city women buy. Country merchants carry about the same lines of goods that city merchants carry, and the country newspaper is called upon to tell the people all about it."

If You Import or Export—

THIS 42-page pamphlet—"Foreign Commerce Handbook, 1928-1929"—contains valuable information.

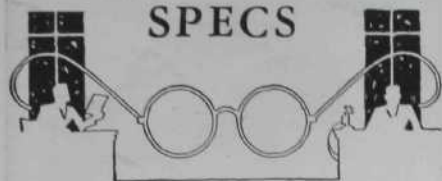
It includes a hundred names and addresses handily arranged under 93 alphabetical subject headings and it directs you to first-hand sources of information in the foreign trade and service field.

10 cents a copy in any quantity

FOREIGN COMMERCE DEPARTMENT

United States Chamber of Commerce Washington, D. C.

THROUGH THE EDITOR'S SPECS



ONE Sir George Grierson has mastered 180 languages during a linguistic survey of India, according to a press dispatch. Probably by the time this appears in print a sentimental song writer will have seized upon the item as "lyric material" for some such effulgence as "I know 180 ways to say I love you, mammy" or whatever the Hindu equivalent of mammy happens to be.

Among the many tongues, the linguist has found some "with opulent vocabularies rivalling English in their copiousness" and still others "which know neither noun nor verb." Some men can do a lot with the remaining parts of speech. Possibly more Americans would be cramped by having the adjective removed, and in particular the superlative of the adjective.

AN echo of an article in our March number! Jesse French, Jr., whose family has been making pianos in Indiana since 1875, writes us:

Various occupations in our large cities are becoming closed to the man who is not aligned with this or that group which holds some voting or other political power, with the result that opportunity for our theoretically free-born American citizen is becoming restricted on all sides. Individually, in our little restricted circles we still have a little individuality left, but outside of this the Babbitts follow this or that leader of some movement, and like the Roman mob on the stage, cheer vociferously when they have their cue, knowing little or nothing about the movement that is being gotten under way.

Personally, I think Mr. Russell's article had much good in it and was worthy of some consideration in place of such a high percentage of caustic criticism.

AGAIN the chain store raises its head and H. L. Snyder of Dormont, Pennsylvania, writes to us:

Having been in grocery business for past twenty-seven years and for past ten years in competition with chain stores, I was much interested in your article, "Back of the Chain Stores," by Earl C. Sams, President of the J. C. Penney Co., Inc.

Mr. Sams speaks of the J. C. Penney stores beginning in 1902 by Mr. Penney who was satisfied with a small profit and quick turnover.

Now please note he says "profit" and profit means to sell above the cost of merchandise as well as the cost of doing business which the chain store has even more than the independent store. If this were the way the chain stores were conducting their business today, no independent grocer, and when I say grocer I mean a business man, too, would need fear them. But I am sorry to say this is not the way



Plant of the Barrow Corporation, Oakland

T. B. PRINGLE, Manager,
The Barrow Corporation

Selling WORK CLOTHES to the Pacific Coast

THE BARROW CORPORATION, of national reputation in the textile industry, finds its Oakland plant most advantageous in serving the western market. T. B. Pringle, manager of the Oakland plant, writes:

"Oakland and the San Francisco Bay district compose the work clothes manufacturing center of the Pacific Coast. There are many other advantages which should encourage other branches of the textile industry to locate in Oakland. For instance, we receive denim from eastern and southern mills at freight rates as low and in some cases lower than do the eastern manufacturers. Also, we can ship our finished products to a larger part of the Pacific Coast more economically from Oakland than from any western point—certainly more economically than from the East.

"Here in Oakland we enjoy an all-year-round working climate at an even, cool temperature which is ideal for production efficiency. An abundance of skilled labor of the better class makes this one of the best labor markets in the

United States. Over 60% of the workers in this territory own their homes.

"Hydro-electric energy is developed in such large quantities that power can be purchased at most advantageous rates. Low factory rentals and the many sites available at attractive prices aid the manufacturer in keeping down overhead.

"Oakland is the center of population in a metropolitan area containing over 1,600,000 people within a 40-mile radius: it is the center of population and distribution of the eleven western states: it is the terminal point of all transcontinental railroad lines: located on the continental side of San Francisco Bay, it is also ideal for serving the distant markets of the Orient. Where can the manufacturer operating on the Pacific Coast find better advantages?"

Statements of other nationally-known manufacturers giving their actual experience in the Oakland Industrial District have been published in the booklet, "We Selected Oakland," mailed on request without cost or obligation. Send for your copy.

An industrial survey will be prepared for any manufacturer interested in a Pacific Coast plant. Write Industrial Department

Oakland Chamber of Commerce • Oakland, California

or the Chamber of Commerce of any of the following cities:

Alameda Berkeley
Centerville Emeryville Hayward Irvington Livermore
Newark Niles Pleasanton San Leandro

IVY LEE, publicist, student of public opinion, and adviser to great business interests, has made the kind of trip to Russia that you would like to make and presents the facts about Russia you would like to know in this new book.

PRESENT-DAY RUSSIA

by Ivy Lee

What is really happening in Russia? How is the country being run and how do the people live? What is the new system of marriage and divorce? Are the children being educated—or fed? Can trade or any kind of relations with the Soviet state be developed?

Such are the questions Mr. Lee has set up and answered from a frankly capitalistic viewpoint. His conclusions are of value to every American citizen.

"Now I have got something that is really useful. It explains things; it gives me what I have long wanted—an objective account of how things are done." —J. Ramsay MacDonald, former Prime Minister of Great Britain.

"The author writes entertainingly. The amount of information that was secured in so brief a visit is astonishing." —Boston Transcript.

Order from your book dealer—\$2.50

THE MACMILLAN COMPANY
NEW YORK

JOHN HANCOCK SERIES

Life Insurance for Credit

THE JOHN HANCOCK plan of Business Life Insurance is adaptable to every kind of business enterprise.

Whether an executive in a large corporation, partner in a long established firm, or the sole owner of a flourishing business, you should know about Business Life Insurance.

Upon maturity, the policy provides funds to meet unusual conditions likely to follow death of important executive; to allow the surviving partner to purchase deceased's interests; to bridge interval following the sole owner's death until the business is on its feet.

Send for copy of "Business Life Insurance for Executives," containing full details. Address

INQUIRY BUREAU

John Hancock
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS

197 CLARENDON STREET, BOSTON

\$2,764,000,000 Insurance in Force.

If your policy bears the name John Hancock it is safe and secure in every way.

N.B.

SIXTY-FIFTH YEAR OF BUSINESS

it is being done. Instead, I believe the most unfair as well as dishonest methods are being used to make the chain store successful.

This is not idle talk as it is not hard to prove. I can buy, I believe, as cheap as any independent grocer but I never read the advertisements of the chain stores but what I see many articles, that are well advertised and well known, priced below cost to me. Mr. Sams may consider this as advertising but I consider it a dishonest method to make it appear to the consumer that all chain-store prices are as low in comparison and that the independent grocer who is not running over twenty per cent profit at best is entirely too high in his price.

In my opinion cooperative buying by independents will not go very far because different communities demand different grades of goods and many things that I must have could not be sold by others in different localities and many things that would sell for them would be dead stock for me.

If the distribution is then left to the chain store in the future I feel sorry for the manufacturer and the consumer as well, for I believe that the chain store will stop at nothing to take an unfair advantage over the manufacturer and consumer, too, if given an opportunity. I do not think anyone who takes pride in his own home town would be very proud to see the stores in his town all chain stores. Not many chain stores care a whit for the welfare of the communities where their stores are located.

Let us have a law making it illegal for a merchant to sell goods other than with a fair profit over its cost and illegal to use any merchandise for a bait to fool the public and you will not only benefit the manufacturer as well as the public, but you will put the independent merchant where he will have no fear of the chain store, and who will say such a law will be meeting fair competition with legislation.

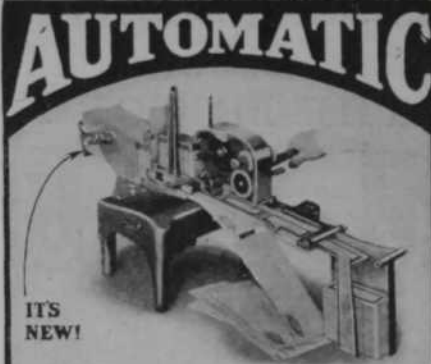
In closing let me say I am not an enemy of the chain stores, as I rent two storerooms to chain grocery stores within a few squares of my own store, but I am an enemy of all things that are unfair, or dishonest, and I believe in a square deal.

ROBERT STEWART, Dean of the College of Agriculture at the University of Nevada, Reno, read Julius Barnes' article "The Market of Discontent" in the May number and is moved to comment thus:

Mass production in industry, whereby the output of the individual worker has been markedly increased, has led to the realization of the entirely new principle that human wants and desires are not limited but that the consuming public wants more of the better things of life. The demand for commodities which have quality and style is always unsatisfied. This principle is now the lodestone of industry.

While the capacity of the human stomach for food is limited, the demand for quality foods is unlimited, and the new guiding principle of industry is equally adapted to agricultural production. The old practice of blind production in agriculture must give way to quality production. The farmer must produce those commodities which the consuming public wants and is willing to pay for. Many farmers are aware of this principle and are making good profits, while others are producing blindly in the hope that they may have a lucky break.

Then Dean Stewart goes on to cite his



ITS
NEW!

NO more slow hand-feeding of envelopes into an addressing machine one by one! — Get a demonstration of this wonderful new popular-priced addresser. — It automatically feeds envelopes into itself as fast as you can turn the crank.

DOES A DAY'S WORK
IN 5 MINUTES

Four times faster than other addressing machines of similar size and price.

For complete information and a FREE BOOK on Direct-Mail Advertising, pin this ad. to your business letterhead and mail to us.

ELLIOTT

ADDRESSING MACHINE CO.

144 Albany St., Cambridge, Mass.

Two Cabinet Members

Contribute articles to coming numbers of

Nation's Business

Andrew W. Mellon

Secretary of the Treasury

writes

"Three Eras in American Banking"

James J. Davis

Secretary of Labor

writes

"One Way to Help the Coal Situation"

own experience in olive growing in Nevada, where the net profit is \$145.22 per acre or 17.4 per cent return on an investment of \$850 per acre!

He gives also this heartening instance of the possibilities for the farmer.

Yet, Area Wimssett, who taught school in Iowa for a good many years, came to Newlands Reclamation project in Fallon, Nevada, in 1922. He had exactly \$2,400 with which he contracted for 120 acres of government land on this project. He commenced to produce quality products for the market, principally turkeys and dairy products. Five years later, in 1927, he had a farm worth \$15,000 on which he actually made six per cent interest and had \$3,200 left over as payment for his labor and management. That is, during the worst period of farm distress in the United States, this school teacher had increased his capital from \$2,400 to \$15,000 all within five years and made during 1927 \$4,700 for his year's labor.

IT IS not uncommon for the editorial staff of this magazine to be warned that they will, if they print certain things, "stir up people." Perhaps stirring up is a good part of the job and here is a letter from H. H. Morse of the Florence Stove Company, Boston, Massachusetts, regarding an article by Arthur S. Hillyer, entitled "Make Exports a Fourth Wheel."

Washing soiled linen in public is a very delicate proceeding, but you have done it courageously and you have done it well. There are parts of this article that will be jumped upon and quoted with glee by foreign competitors and these parts will be misconstrued and made to serve the cause of our competitors. That is always unavoidable in cases of this kind, but the article will do a lot of good.

It is in a magazine that executives read and it will make executives who are at all interested in their business go back over their export files and see what is happening in their own organization. The spirit in which you tell things without mincing words is truly American.

MIXING up portraits and misspelling proper names are two bugbears of men who prepare copy for publication. Not long ago in a little leaflet gotten out by NATION'S BUSINESS, small half-tones of Silas Strawn, Chairman of the Board of Montgomery Ward & Company, and of William Black, President of B. F. Avery & Sons, Inc., Louisville, were exchanged. Only a few of them got into the mail before the error was caught. A letter was sent to Mr. Strawn and Mr. Black explaining the error in case either of them should get one of these copies. Here's Mr. Strawn's genial reply:

My only objection was that you might have a suit for libel by Mr. Black, who is a much handsomer man than I am.

Referring to the observation of your make-up man, I quote a remark I heard some years ago: "Me and my sister ain't no more alike than as though we wasn't us. She's jest as different as I be only in another way."

It is almost worth making a mistake to get as gay a letter as that from the president of the American Bar Association.

M.T.



*Ruins of Temple at Luxor - Egypt
Philip Little*

"Go-as-you-please" tours Round the World

*The only way you can really know
the fascinating lands of the Orient.*

This unique service is like a cruise on a private yacht. You stop where you please as long as you please. In the countries that most interest you, visit all their beauty spots. The other countries you will see during the regular stay of the ship in port.

There is a liner every week into Honolulu, Yokohama, Kobe, Shanghai, Hong Kong and Manila.

And every fortnight there is an arrival and sailing of these liners at Singapore, Penang, Colombo, Alexandria, Naples, Genoa, Marseilles, New York, Boston, Havana, Cristobal and Balboa.

Your ticket permits you to go Round the World on one liner, which takes 110 days. Or you may stopover at the ports you select and spend as much as two years on the trip.

Complete information from any ticket or tourist agent or

There is no other similar service. Yet with all its advantages, the fares are most reasonable. \$1250 and up Round the World. All fares include transportation, accommodations and meals aboard ship.

You sail aboard magnificent President Liners, broad of beam, steady and comfortable. Spacious decks, enclosed in glass. Outside rooms, with beds, not berths. Luxurious public rooms. A world famous cuisine.

American Mail Liners sail every fortnight from Seattle for Japan, China, Manila and Round the World.

Dollar Liners sail every week from Los Angeles and San Francisco for Honolulu, the Orient and Round the World. They sail every fortnight from New York for the Orient via Havana, Panama and California.

Fortnightly sailings from Naples, Genoa and Marseilles for New York.

American Mail Line Dollar Steamship Line

25 AND 32 BROADWAY, NEW YORK
604 FIFTH AVE., NEW YORK, N. Y.
101 BOURSE BLDG., PHILADELPHIA, PA.
UNION TRUST BLDG. ARCADE, CLEVELAND
177 STATE ST., BOSTON, MASS.
314 W. SIXTH ST., LOS ANGELES, CALIF.
ROBERT DOLLAR BLDG., SAN FRANCISCO



110 SOUTH DEARBORN ST., CHICAGO, ILL.
DIME BANK BUILDING, DETROIT
152 BROADWAY, PORTLAND, OREGON
21 PIAZZA DEL POPOLO, ROME, ITALY
11 BIS RUE SCRIBE, PARIS, FRANCE
22 BILLITER STREET, E. C. 3, LONDON
4TH AT UNIVERSITY, SEATTLE, WASH.

When writing to the above Steamship Lines please mention Nation's Business

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THIS is the third of a series of editorials written by leading advertising men on the general subject of "Advertising"



Advertising to Make Markets

BEING a new man in the pressed steel industry, I could not understand why the use of pressed steel was confined almost entirely to automobiles and farm implements," says W. W. Galbreath, president of the Youngstown Pressed Steel Company, commenting on the beginnings of his business back in 1921. "I could not understand why, if the idea of pressed steel was good for those two industries, it would not be good for others."

Analysis and careful study convinced Mr. Galbreath that no real reason for the situation exists; so backing his convictions with advertising prudently used, he built a business that today is of commanding proportions, and that has introduced startling economies into many new fields.

Most discussions of the economics of advertising have stressed its service in reducing manufacturing costs and in helping make available the wide variety of material comforts which consumers enjoy today.

Less frequently have they directed attention to the effect of advertising in stimulating the spirit of enterprise in potential business leaders.

Where formerly a business man might have been content with the moderate achievement of serving a local market, today he cannot easily resist the more alluring prospect of fame and fortune that comes from producing for markets of multitudes, which he knows can be reached through advertising.

Where formerly a man of creative imagination, like Mr. Galbreath, might have been led to accept a limited field, he today feels a constant urge to enlarge that field by advertising and as a result, the spread of material progress is made more rapid.

There are four factors in production as defined by economists: raw material, labor, capital and enterprise. Enterprise plays the central rôle in that it welds together and makes effective the other three. In quality, in quantity and in effectiveness enterprise has undoubtedly been greatly stimulated by the development of modern advertising.

ALLEN L. BILLINGSLEY,
Fuller & Smith
Cleveland



MILES AWAY... *but completely in touch with all the vital facts*

These remarkable machines give you a true statement of your business every day

MODERN accounting methods are making it easier for men to get their noses away from the business grindstone. The busy executive or head of a company can now leave his desk for a few days, and wherever he goes receive every day an accurate report of the facts and figures in every department.

Through the use of Elliott-Fisher accounting-writing equipment subordinates can place in the mail every night, records of sales, production, inventories, shipments, accounts receivable and payable, cash balance and other vital facts. All posted to the minute. All presenting a true and complete picture of the activities at plant or office.

Without adding a man to the payroll, Elliott-

Fisher machines reduce the most complex accounting operations into a system of incredible simplicity and accuracy. They gather all the details together and focus them in reports that can be grasped at a glance. No matter what system you use, the Elliott-Fisher will readily fit into it and simplify it.

The story is as simple as the Elliott-Fisher method. Let us give you all the facts. Your name and address on the coupon below will bring our representative, who will quickly demonstrate how Elliott-Fisher will improve your business control.



General Office Equipment Corporation
342 Madison Avenue, New York City
Gentlemen: Kindly tell me how Elliott-Fisher
can give me closer control of my business.

Name _____

Address _____

Elliott-Fisher

FLAT SURFACE ACCOUNTING-WRITING MACHINES

Product of

General Office Equipment Corporation

342 Madison Avenue, New York

OTHER PRODUCTS: SUNDSTRAND ADDING-FIGURING MACHINES

Camel

*The cigarette that leads
by billions*

Just to state a great truth in
another way—Camel is so ex-
actly what so many smokers
want that no other brand is
even a close second.



If all cigarettes were as good as Camel you wouldn't hear anything about special treatments to make cigarettes good for the throat. Nothing takes the place of choice tobaccos.